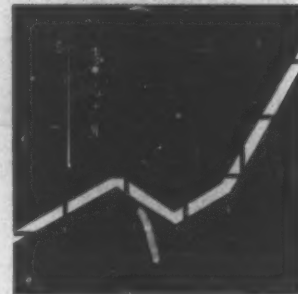


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# Colorado Business Review

BUSINESS RESEARCH DIVISION • GRADUATE SCHOOL OF BUSINESS ADMINISTRATION • UNIVERSITY OF COLORADO

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Volume LVI, Number 10, October 1983

# So You Want to Attract High-Tech Firms

## PART I

Clark E. Chastain

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What city, metropolitan area, or industrial state does not want to attract high-tech firms today? Very recently 57 cities in 27 states competed to become home for Microelectronics and Computer Technology Corporation, a joint venture of 12 major companies—illustrating the high desirability of such firms as well as the intense competition to attract them.

Perhaps surprisingly, the potential hosts for high-technology firms do not have to be large. The small rural city of Columbus, Indiana, with a population of only 35,000, promotes regular missions to Japan and Europe recruiting small high-technology firms to locate there. However, resources and attracting features are not equally divided among states and cities, and not all metropolitan areas can expect to be as successful as, for example, Boston or Santa Clara. Nevertheless, all potential hosts can attract a significant number of these ventures and improve the area's economy.

This article explains what is meant by high-technology industries and products and why mayors and governors want high-technology firms to locate in their cities and states, and analyzes the needs of high-tech organizations as the basis for developing a comprehensive integrated plan for attracting these firms.

### WHICH INDUSTRIES AND PRODUCTS ARE PROPERLY LABELED HIGH TECHNOLOGY?

Agreement is lacking on which industries should be considered high-tech industries. According to *Business Week*,<sup>1</sup> drugs, electronics, information, and telecommunications are the major high-technology industries. Electronics include silicon chips and semiconductors; information processing encompasses computer of all sizes, from the largest commercial computers to personal and office automation products. Within the telecommunications industry are not only telephones and access lines but also new services for moving computer data and other business information services and products for enabling dissimilar brands of computers to communicate, and new private branch exchange (PBX) telephone systems for offices. Involved in some or all phases of telecommunications are American Telephone and Telegraph, International Business Machines, Tymnet, GTE, Telenet, and United Telecommunications.

Yoshio Yamashita, Director of the Okasan Economic Research Institute in Japan, uses a different categorization for high technology enterprises. He identifies (1) electronics and semiconductors, (2) biotechnology, (3) new materials, and (4) new energies. Within electronics are microprocessors, the best growth area in Japan; computers, especially personal and cognitive or fifth-generation computers; word processors; office automation equipment;

telecommunications; and peripherals. Biotechnology encompasses pharmaceuticals, fermentation technology, and applications to food production. New materials refers to substitute materials such as carbon fiber, fine ceramics and an alternative semiconductor material for silicon. An example of new energies would be amorphous solar cells and coal liquefaction processes.

To the list above we must add lasers, fiber optics, genetic engineering, and the developing robotics industry. Japan now leads in robotics, today using perhaps 36,000 robots. The U.S. follows with about 6,500.

Further high-technology developments can be found in medical analyzers and diagnostic and treatment procedures such as scanning. In addition, some of the work in nuclear and aerospace research is certainly advanced new technology. Recent illustrations include the production of low-speed bearings for fuel-handling mechanisms that operate in nuclear reactors, cryogenic bearings that operate in the liquid oxygen or hydrogen inside the rocket engines of the space shuttle, and stainless steel spheres that meter the fuel in automotive injectors.

Often, firms which are advancing technology do not fit neatly into a particular industry group. The firm may be in an industry whose primary operations are manufacturing or something other than upgrading technology. For example, the aerospace, military weapons and missiles industries, as well as the National Aeronautics and Space Administration, are advancing and applying sophisticated technologies. So are chemical firms which develop new crop protectants for agriculture. Another difficulty arises in the attempt to distinguish between a high-tech firm and the injection of advanced technology into a basic industry, as for example when a chemical firm develops new crop protectants for agriculture; the chemical industry is elevating high-technology and injecting it into another basic industry.

Still, it is possible to list the general attributes of high technology: it is science-oriented or science-based; it rapidly advances products and/or processes; it is complex; it requires a high level of human skills to understand and operate; it changes the way of doing things or operations; and it makes significant changes in the machinery, equipment or assets used for production.

### WHY DO MAYORS, GOVERNORS, AND OTHERS WANT HIGH-TECH FIRMS?

The desire to attract high-tech operations arises from the numerous benefits which accrue to the presence of high-tech firms in an area. These include (1) high profitability of these firms, (2) increased jobs and spending resulting from the high-tech firms' operations, (3) the tendency of these firms to serve as a nucleus for further growth, (4) the firms' favorable influence on education, and (5) a number of miscellaneous reasons. We will examine these benefits in detail.

**High Profitability.** High-technology firms not only usually enjoy high earnings but often are more recession-proof than basic manufacturing. The profitability factor is

<sup>1</sup>"Industry Outlook," *Business Week*, January 17, 1983, pp. 57-91.

well illustrated by contrasting the expected annual growth rates for five years in profits for four major high-tech industries with Standard and Poor 400 Companies:<sup>2</sup>

| Industry           | Expected Annual Growth Rate |
|--------------------|-----------------------------|
| Drugs              | 8.5%                        |
| Electronics        | 13.5                        |
| Information        | 9.5                         |
| Telecommunications | 11.0                        |
| S and P 400        | 8.5                         |

The expected profit rates for high-tech industries are also usually higher than those for other industries over the next five years.

High-growth, high-technology firms may also be recession-proof. Although the electronics and information companies located in Silicon Valley have experienced some decline in sales and income because of the recent recession and Japanese competition, their decline was far less than that of basic manufacturing in 1981-82. Today, the progress of the economic recovery indicates they will do far better than the basic industries. The 700 computer-related companies located near Boston provide additional examples of high-tech firms' general immunity to recession. They, along with the service industries (hospitals, colleges, finance, and insurance companies), have sustained a robust Greater Boston economy during the past year. Unemployment has stayed at the surprisingly low rate of 5.4% (compared with a national unadjusted rate of 10.4%). Defense contractors such as Raytheon Company, maker of Patriot, Hawk, Sparrow, and Sidewinder missiles, are growing strongly and further account for a vastly improved economy.

**Increased Jobs and Spending.** High-tech firms often produce an impressive magnitude of jobs. In 1981, high-technology industries in Massachusetts had sales of \$19.5 billion and employed 250,000 people, one-third of the state's manufacturing labor force.<sup>3</sup> Similar enterprises in the Silicon Valley sold over \$10 billion of products and employed 161,000 people. In just five years, 1975-80, electronics-related jobs soared 93% in the Santa Clara area.

The location of one additional firm may add significantly to employment and spending in the area. For instance, Microelectronics and Computer Technology Corporation (MCC), which chose to locate in Austin, Texas, expects to employ 400 engineers in professional, high-salaried jobs. Often there is a multiplier effect; one research job, for example, will support one and one-half service jobs, and in this case it seems reasonable to estimate that this one high-tech firm will add 1,000 positions to the Austin economy. Further, MCC will spend up to \$100 million per year on research and development, much of it aiding the greater Austin area.

**High-technology Concerns Often Form a Nucleus.** Because of their prestige and their use of highly trained engineers and computer specialists, which are needed by other companies applying new research results, and because of a common strong reliance on higher education and research facilities, high-tech companies are likely to locate

near each other. Also, there is a strong tendency for high-tech firms to spawn numerous new high-technology entrepreneurs and alumni, many of whom remain close by. The impact can produce a sort of chain reaction, resulting in many other new firms—as Boston and the California area from San Francisco to San Jose happily discovered.

The nucleus effect is illustrated by the events in Silicon Valley, where in 1955 William Shockley, co-inventor of the transistor, founded his semiconductor laboratory. The laboratory became a central point for further concentration and expansion; Robert Noyce, with seven other Shockley men, left this central cell in 1957 to form Fairchild. In 1959, Noyce and Jack Kilby at Texas Instruments invented the silicon chip—the small piece of silicon that is a complex semiconductor device, or integrated circuit, and a marvel of the world. Fairchild in turn served as the embryo for the Valley's top three firms: National Semiconductor (1967), Noyce's Intel (1968), and Advanced Micro Devices (1969). This nucleus has grown today to include more than 80 chip manufacturers which control 20% of the \$16 billion world semiconductor market.<sup>4</sup>

The instruction provided by the example is clear: states which wish to catch up in high-technology need to foster this nucleus effect to improve cooperation among firms and to expand their high-technology industry.

**Strong Positive Interaction with Education.** No other industries interact so strongly and pervasively with education as do high-tech industries. High-tech firms and education make a formidable spearhead for advancing industry and culture, and most important to a high-tech company is location near universities that have graduate-level technical programs related to their areas of expertise. Microelectronics and Computer Technology Corporation, has as its mission the development of advances in semiconductors and computer products, and seeks as support established graduate electrical engineering and computer science programs. The company not only wants to hire graduates from these programs who will accept entrance level professional salaries; it also needs technical assistance and consulting from university experts who have developed procedures for getting research findings from university laboratories to private industry. The company rejected a location in Minnesota because the university in question had not already established the necessary training and chose instead Austin, Texas where The University of Texas and Texas A & M agreed to support it with low cost laboratory space.

The attractiveness of educational facilities in the Boston area is evident. Digital Equipment Corporation, Wang Laboratories, Prime Computer, Inc. and others can recruit employees from the 250,000 students and get university services from 65 colleges and universities. One measure of the area universities' involvement in research, which provide jobs for 90,000 employees, is their responsibility for 1,100 contracts valued at \$150 million for basic research under the Pentagon's naval research detachment.

In some states, universities, research institutes and high technology are making progress in joint comprehensive programs. Computer companies in the Detroit-Ann Arbor

<sup>2</sup> "Industry Outlook," *op. cit.*, pp. 57-91.

<sup>3</sup> David Brophy, "A Matter of Money," *Dividend*, Graduate School of Business, University of Michigan, Fall Quarter 1982, pp. 13-14, 16, 21.

<sup>4</sup> For two excellent articles see Allen A. Boraiko, "Electronic Mini-Marvel that is Changing Your Life: The Chip," and Moira Johnston, "High Tech, High Risk and High Life in Silicon Valley," *National Geographic*, October 1982, Vol. 162, No. 4, pp. 421-477.



area enjoy this kind of support. Wayne State University has just funded a metropolitan high-technology center that provides research firms with space, computer, laboratory, engineering, research, and consulting services. The recently formed Industrial Technology Institute near Ann Arbor will add to the network, and the University of Michigan and Michigan State University further augment the program with their vast resources.

Once established, high-technology firms support growth and advancement in educational institutions. Their employees and dependents attend courses, both graduate and undergraduate, and research firms affect education in other ways. For example, executives have set up the Massachusetts High Technology Council in Boston and encourage each member to donate 2% of its annual research and development budget to higher education.

**Miscellaneous Factors.** Numerous other reasons exist for seeking to attract high-tech firms to an area. High-technology enterprises add to communities' middle and upper-middle class residents, and employees help to absorb the growing tax burdens. Moreover, a metropolitan area may gain significant stature and prestige by attracting well known concerns. In addition, the prosperity of many states and metropolitan areas is presently threatened by Japanese, European and other foreign competition, and high-technology provides an avenue for successfully meeting this challenge. The U.S. has consistently advanced sophisticated technology at a faster rate than other nations. Finally, the high-tech company usually maintains a clean environment—although it must be conceded that pioneers in the Silicon Valley polluted the environment, contributed to congestion, and in part caused housing and labor costs to soar.

#### WHAT DO HIGH-TECH FIRMS NEED AND WANT?

Awareness of the conditions and facilities desired by prospective high-tech residents will obviously help in luring them. As has already been pointed out, high-tech companies want appropriate graduate programs and research capabilities among the faculties. Other important factors include skilled labor, a favorable business climate, ready availability of living facilities, and land for expansion at reasonable costs. Additionally important is easy access by surface transportation, including interstate highways, and by air. Atlanta, one of the final four contenders for MCC, ranked high on a number of these variables with its low cost of living, low operating costs for business and its giant hub airport facilities.

Obviously there are variations in the resources and favorable features available in a given area. Emerging shortages of skilled labor and high living costs caused the Joint Economic Committee on Technology to predict that high-technology industries in the East and West will suffer. By contrast, the Midwest, with large numbers of skilled employees, vast industry and transportation infrastructure, is expected to lead the way in future development of advanced technology. Moreover, the aggressiveness with which a state or urban region pursues the high-tech firms can mean the critical difference in success or failure in attracting them. The four states—California, Massachusetts, New York, and North Carolina—that most aggressively pursue high-technology companies today attract far more than other states. Austin, Texas, has responded quickly to inquiries about its program and in following up

on leads of companies which are interested in locating there—positive factors in attracting firms. Austin attracts about 10 new research or high-tech firms each year by touting its many attractive features: highly prized living conditions, the nation's lowest living costs, substantial research and personnel resources, a world-recognized university, moderate property and sales taxes and no state or city income taxes, no history of strikes or labor friction, no severe racial tension, and no smog or pollution.

John H. Gray, Manager of the Economic Development Department of the Austin Chamber of Commerce, pinpoints the tradeoffs that are sometimes necessary. He states that where a "city's industrial and quality-of-life attractiveness" are significant, which is true in Austin, the city does not have to offer financial incentives.<sup>5</sup> "Financial incentives for MCC were a unique exception and were funded by the statewide business community, not locally. An increased amount of financial incentives proportional to a city's lesser degree of attractiveness is required."

Mr. Gray, a veteran official of Austin's Chamber, summarizes four primary reasons why Austin has successfully attracted high-tech firms year by year since around 1960:<sup>6</sup>

1. World-class university, particularly excellent in engineering, computer science, and business programs (undergraduate, graduate, and research).
2. Outstanding and universally-prized environment and quality of life.
3. Good pro-business government climate (state and local)—moderate property, sales, and other taxes, no state or city income tax, right-to-work law, etc.
4. Quality work force—high work ethic, high productivity, non-union attitude.

The major features which discourage new firms of any type from locating in a state are high taxes, aggressive unions, and high energy costs. In addition bureaucratic and paperwork barriers detract. Texas requires only nine forms and ranks number one in terms of simplicity and lack of bureaucratic filing requirements.<sup>7</sup>

Tax abatements are commonly given as financial incentives to new firms, as by Columbus, Indiana and the Economic Development Corporation of San Diego. In Massachusetts, a lobbying group called the Massachusetts High-Technology Council raised \$246,000 and hired a New York advertising agency to convince Massachusetts voters that their property tax was too high and should be controlled; the member firms of the council wanted lower property taxes to attract engineers. Another example of financial incentive is provided by the "quality discounts" recently offered by San Diego builders to employees of new high-tech firms who bought houses in the same development. Austin's local lending institutions offer below-market mortgage loans.

*To be continued, Part II will appear in the November issue.*

<sup>5</sup> Personal communication and survey, returned June 13, 1983.

<sup>6</sup> *Ibid.*

<sup>7</sup> Lawless Barrientos, quoted in "New Businesses in Some States Have Less Red Tape to Fight," *The Wall Street Journal*, June 7, 1983, p. 35.

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**COLORADO BUSINESS INDICATORS**  
(Figures in Thousands Unless Otherwise Indicated)

|                                                                           | June<br>1983 | May<br>1983 | June<br>1982 | Percent Change<br>June 1983 from |              |
|---------------------------------------------------------------------------|--------------|-------------|--------------|----------------------------------|--------------|
|                                                                           |              |             |              | May<br>1983                      | June<br>1982 |
| Total Civilian Labor Force (by place of residence) <sup>a</sup> . . . . . | 1,678.8      | 1,644.5     | 1,602.8      | 2.1                              | 4.7          |
| Unemployment . . . . .                                                    | 122.1        | 129.0       | 125.1        | - 5.4                            | - 2.4        |
| Unemployment Rate (percent) . . . . .                                     | 7.3          | 7.8         | 7.8          | -                                | -            |
| Employment . . . . .                                                      | 1,556.7      | 1,515.5     | 1,477.7      | 2.7                              | 5.4          |
| Nonagricultural Wage and Salary . . . . .                                 | 1,509.7      | 1,477.0     | 1,430.1      | 2.2                              | 5.6          |
| Agricultural . . . . .                                                    | 47.0         | 38.5        | 47.6         | 22.1                             | - 1.3        |
| <b>Total Nonagricultural Wage and Salary</b>                              |              |             |              |                                  |              |
| Employment (by place of work) <sup>a</sup> . . . . .                      | 1,343.3      | 1,325.8     | 1,320.4      | 1.3                              | 1.7          |
| Mining . . . . .                                                          | 39.3         | 38.6        | 44.3         | 1.8                              | -11.3        |
| Metallic Minerals . . . . .                                               | 6.0          | 5.9         | 9.4          | 1.7                              | - 36.2       |
| Bituminous Coal, Lignite, and Nonmetallic . . . . .                       | 4.6          | 4.5         | 5.7          | 2.2                              | -19.3        |
| Oil and Gas Extraction . . . . .                                          | 28.7         | 28.1        | 29.3         | 2.1                              | - 2.1        |
| Contract Construction . . . . .                                           | 86.4         | 83.0        | 81.7         | 4.1                              | 5.8          |
| Manufacturing . . . . .                                                   | 179.7        | 177.3       | 184.0        | 1.4                              | - 2.3        |
| Lumber, Wood Products, and Furniture . . . . .                            | 6.8          | 6.6         | 6.5          | 3.0                              | 4.6          |
| Stone, Clay, Glass, and Concrete Products . . . . .                       | 9.7          | 9.5         | 10.9         | 2.1                              | -11.0        |
| Primary and Fabricated Metals . . . . .                                   | 14.4         | 14.5        | 16.9         | - 0.7                            | -14.8        |
| Machinery, Except Electrical . . . . .                                    | 25.0         | 24.6        | 26.2         | 1.6                              | - 4.6        |
| Electric and Electronic Equipment . . . . .                               | 17.5         | 17.2        | 16.8         | 1.7                              | 4.2          |
| Transportation Equipment . . . . .                                        | 13.7         | 13.7        | 14.4         | 0.0                              | - 4.9        |
| Other Durable Goods . . . . .                                             | 28.0         | 27.6        | 28.3         | 1.5                              | - 1.1        |
| Food and Kindred Products . . . . .                                       | 23.5         | 23.0        | 23.8         | 2.2                              | - 1.3        |
| Textiles and Apparel . . . . .                                            | 3.3          | 3.1         | 3.2          | 6.5                              | 3.1          |
| Paper and Allied Products . . . . .                                       | 2.0          | 2.0         | 2.0          | 0.0                              | 0.0          |
| Printing and Publishing . . . . .                                         | 19.0         | 18.9        | 18.5         | 0.5                              | 2.7          |
| Chemicals and Allied Products . . . . .                                   | 7.9          | 7.8         | 7.5          | 1.3                              | 5.3          |
| Other Nondurable Goods . . . . .                                          | 8.8          | 8.7         | 9.0          | 1.2                              | - 2.2        |
| Finance, Insurance, and Real Estate . . . . .                             | 87.0         | 86.0        | 83.8         | 1.2                              | 3.8          |
| Banking . . . . .                                                         | 21.3         | 21.3        | 21.6         | 0.0                              | - 1.4        |
| Credit Agencies Other than Banks . . . . .                                | 13.3         | 13.3        | 12.7         | 0.0                              | 4.7          |
| Insurance Carriers, Agents, and Brokers . . . . .                         | 20.6         | 20.6        | 20.3         | 0.0                              | 1.5          |
| Real Estate and Combination Offices . . . . .                             | 23.3         | 22.5        | 22.0         | 3.6                              | 5.9          |
| Other Finance, Insurance, and Real Estate . . . . .                       | 8.5          | 8.3         | 7.1          | 2.4                              | 19.7         |
| Transportation and Public Utilities . . . . .                             | 84.5         | 83.4        | 85.7         | 1.3                              | - 1.4        |
| Railroad Transportation . . . . .                                         | 5.5          | 5.4         | 6.2          | 1.9                              | -11.3        |
| Trucking and Warehousing . . . . .                                        | 17.0         | 16.6        | 16.9         | 2.4                              | 0.6          |
| Air Transportation . . . . .                                              | 15.0         | 14.6        | 14.0         | 2.7                              | 7.1          |
| Other Transportation . . . . .                                            | 6.4          | 6.3         | 6.6          | 1.6                              | - 3.0        |
| Communications, Electric, Gas, and Sanitary Services . . . . .            | 40.5         | 40.4        | 42.0         | 0.3                              | - 3.6        |
| Trade . . . . .                                                           | 330.3        | 327.1       | 321.4        | 1.0                              | 2.8          |
| Wholesale Trade . . . . .                                                 | 81.5         | 81.0        | 81.5         | 0.6                              | 0.0          |
| Retail Trade . . . . .                                                    | 248.8        | 246.1       | 239.8        | 1.1                              | 3.8          |
| Services . . . . .                                                        | 293.3        | 282.9       | 281.4        | 3.7                              | 4.2          |
| Lodging and Combination Lodging/Eating Places . . . . .                   | 26.6         | 24.7        | 25.6         | 7.7                              | 3.9          |
| Personal Services . . . . .                                               | 15.1         | 15.0        | 14.2         | 0.7                              | 6.3          |
| Business Services . . . . .                                               | 57.3         | 55.0        | 52.4         | 4.2                              | 9.4          |
| Auto and Miscellaneous Repair Services . . . . .                          | 14.6         | 14.4        | 14.1         | 1.4                              | 3.6          |
| Amusements and Recreation . . . . .                                       | 20.8         | 16.9        | 18.8         | 23.1                             | 10.6         |
| Health Services . . . . .                                                 | 73.7         | 73.3        | 72.4         | 0.6                              | 1.8          |
| Educational Services . . . . .                                            | 10.3         | 10.9        | 9.6          | - 5.5                            | 7.3          |
| Membership Organizations . . . . .                                        | 20.4         | 19.9        | 20.6         | 2.5                              | - 1.0        |
| Other Services . . . . .                                                  | 54.5         | 52.8        | 53.7         | 3.2                              | 1.5          |
| Government . . . . .                                                      | 242.7        | 247.4       | 238.2        | - 1.9                            | 1.9          |
| Federal . . . . .                                                         | 53.5         | 52.1        | 51.6         | 2.7                              | 3.7          |
| State . . . . .                                                           | 51.3         | 58.2        | 50.6         | -11.9                            | 1.4          |
| Local . . . . .                                                           | 137.9        | 137.1       | 136.0        | 0.6                              | 1.4          |

|                                                                         | June<br>1983 | May<br>1983 | June<br>1982 | Percent Change<br>June 1983 from<br>May 1983      June 1982 |       |
|-------------------------------------------------------------------------|--------------|-------------|--------------|-------------------------------------------------------------|-------|
| <b>Average Weekly Hours</b>                                             |              |             |              |                                                             |       |
| Construction . . . . .                                                  | 38.5         | 36.8        | 38.3         | 4.6                                                         | 0.5   |
| Manufacturing . . . . .                                                 | 40.1         | 39.6        | 39.1         | 1.3                                                         | 2.6   |
| Durable Goods . . . . .                                                 | 40.6         | 40.2        | 39.6         | 1.0                                                         | 2.5   |
| Nondurable Goods . . . . .                                              | 39.3         | 38.6        | 38.4         | 1.8                                                         | 2.3   |
| <b>Average Weekly Earnings (\$)</b>                                     |              |             |              |                                                             |       |
| Construction . . . . .                                                  | 509.74       | 497.54      | 502.88       | 2.5                                                         | 1.4   |
| Manufacturing . . . . .                                                 | 364.91       | 358.78      | 337.04       | 1.7                                                         | 8.3   |
| Durable Goods . . . . .                                                 | 373.11       | 369.84      | 347.69       | 0.9                                                         | 7.3   |
| Nondurable Goods . . . . .                                              | 352.52       | 341.22      | 321.02       | 3.3                                                         | 9.8   |
| Initial Unemployment Claims (000) . . . . .                             | 16.0         | 16.5        | 18.9         | - 3.0                                                       | -15.3 |
| Bankruptcies, All Types (number) . . . . .                              | 500          | 541         | 550          | - 7.6                                                       | - 9.1 |
| Total State Revenue (\$000) . . . . .                                   | 687,042      | 324,537     | 499,876      | 111.7                                                       | 37.4  |
| Total State Expenditures (\$000) . . . . .                              | 511,568      | 370,286     | 473,652      | 38.2                                                        | 8.0   |
| Crude Oil Production (thous. bbls.) . . . . .                           | 2,321        | 2,400       | 2,621        | - 3.3                                                       | -11.5 |
| Dry Gas Production (mil. cu. ft.) . . . . .                             | 7,310        | 8,515       | 11,868       | -14.2                                                       | -38.4 |
| Coal Production . . . . .                                               | 1,400.1      | 1,465.7     | 1,533.8      | - 4.5                                                       | - 8.7 |
| New Oil and Gas Wells (number) . . . . .                                | 144          | 126         | 164          | 14.3                                                        | -12.2 |
| Natural Gas Used (bil. cu. ft.) . . . . .                               | 6.7          | 11.1        | 7.2          | -39.6                                                       | - 6.9 |
| Electrical Power Sales (mil. kwh)                                       |              |             |              |                                                             |       |
| Residential . . . . .                                                   | 474.7        | 509.1       | 440.3        | - 6.8                                                       | 7.8   |
| Nonresidential . . . . .                                                | 992.1        | 923.3       | 980.0        | 7.5                                                         | 1.2   |
| <b>New Construction, 122 places</b>                                     |              |             |              |                                                             |       |
| Residential permits (number) . . . . .                                  | 3,401        | 3,323       | 1,623        | 2.4                                                         | 109.6 |
| Residential value (\$000) . . . . .                                     | 217,065      | 213,472     | 110,252      | 1.7                                                         | 96.9  |
| Nonresidential permits (number) . . . . .                               | 359          | 323         | 359          | 11.2                                                        | 0.0   |
| Nonresidential value (\$000) . . . . .                                  | 105,087      | 96,098      | 70,283       | 9.4                                                         | 49.5  |
| Highway Contractor Payments (\$000) . . . . .                           | 10,929       | 9,325       | 10,063       | 17.2                                                        | 8.6   |
| Savings and Loan Net New Savings (\$000) <sup>b</sup> . . . . .         | -40,300      | 38,300      | -41,900      | -                                                           | -     |
| National Park Recreational Visits—10 Areas (000) <sup>b</sup> . . . . . | 863.4        | 367.8       | 824.0        | 134.8                                                       | 4.8   |
| Motor Vehicle Title Applications (000) . . . . .                        | 90.0         | 88.4        | 86.6         | 1.8                                                         | 3.9   |
| Highway Vehicle Traffic Counts at Border                                |              |             |              |                                                             |       |
| Stations (daily average) . . . . .                                      | 49,039       | 39,221      | 49,632       | 25.0                                                        | - 1.2 |
| Air Passengers, Stapleton (000) <sup>c</sup> . . . . .                  | 2,362        | 1,986       | 2,325        | 18.9                                                        | 1.6   |
| Air Freight and Air Express, Stapleton (thous. lbs.) . . . . .          | 25,925       | 24,957      | 27,164       | 3.9                                                         | - 4.6 |
| <b>Prices Received by Farmers (\$)</b>                                  |              |             |              |                                                             |       |
| Beef Cattle (per cwt) . . . . .                                         | 64.40        | 66.10       | 68.10        | - 2.6                                                       | - 5.4 |
| Lambs (per cwt) . . . . .                                               | 56.00        | 59.60       | 61.40        | - 6.0                                                       | - 8.8 |
| Wheat (per bu.) . . . . .                                               | 3.36         | 3.50        | 3.41r        | - 4.0                                                       | - 1.5 |
| Corn (per bu.) . . . . .                                                | 3.35         | 3.15        | 2.79         | 6.4                                                         | 20.1  |
| Potatoes (per cwt) . . . . .                                            | 4.25         | 4.65        | 5.10r        | - 8.6                                                       | -16.7 |
| Wool (per lb.) . . . . .                                                | .55          | .55         | .79r         | 0.0                                                         | -30.4 |

NOTES: An asterisk (\*) indicates preliminary data subject to revision.  
Revised data are marked (r).  
n.r.—not reported.

<sup>a</sup>Employment figures have been updated to a December 1981 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a March 1981 benchmark. Thus, these data are not comparable to that published prior.

<sup>b</sup>New series, thus figures are not comparable to those previously published.

<sup>c</sup>Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Referee in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from 17 individual companies.

New Construction from Bureau of the Census, U.S. Department of Commerce.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

Recreational Visits from National Park Service, Denver.

Highway Traffic counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.

**LOCAL BUSINESS CONDITIONS**  
(All Figures in Thousands)

|                                             | June<br>1983 | May<br>1983 | June<br>1982 |                                           | June<br>1983 | May<br>1983 | June<br>1982 |
|---------------------------------------------|--------------|-------------|--------------|-------------------------------------------|--------------|-------------|--------------|
| <b>ALAMOSA (1982 pop. 7,182)</b>            |              |             |              | <b>DENVER (1982 pop. 500,800)</b>         |              |             |              |
| Electric Power (kwh) . . . .                | 3,656        | 2,990       | 2,686        | Electric Power (kwh) . . . .              | 318,601      | 323,335     | 309,237      |
| Constr. (\$)—Res. . . . .                   | 0            | 373         | 96           | Constr. (\$)—Res. . . . .                 | 15,867       | 19,706      | 9,274        |
| —Nonres. . . . .                            | 0            | 0           | 15           | —Nonres. . . . .                          | 38,958       | 51,628      | 1,215        |
| Deposits (\$) (2 of 2 banks)                | 51,315       | 52,734      | 46,105       | Deposits (\$) (40 of 45 banks)            | 7,261,174    | 7,338,063   | 6,271,185    |
| <b>ARVADA (1982 pop. 91,262)</b>            |              |             |              | <b>DURANGO (1982 pop. 12,276)</b>         |              |             |              |
| Electric Power (kwh) . . . .                | 25,079       | 27,342      | 24,673       | Electric Power (kwh) . . . .              | 5,306        | 6,269       | 5,842        |
| Constr. (\$)—Res. . . . .                   | 7,183        | 3,902       | 882          | Constr. (\$)—Res. . . . .                 | 304          | 369         | 287          |
| —Nonres. . . . .                            | 849          | 0           | 463          | —Nonres. . . . .                          | 200          | 0           | 23           |
| Deposits (\$) (4 of 5 banks)                | 107,802      | 114,792     | 86,462       | Deposits (\$) (3 of 3 banks)              | 129,527      | 135,094     | 113,526      |
| <b>ASPEN (1982 pop. 4,081)</b>              |              |             |              | <b>ENGLEWOOD (1982 pop. 30,555)</b>       |              |             |              |
| Electric Power (kwh) . . . .                | n.a.         | 3,243       | 2,302        | Electric Power (kwh) . . . .              | 20,109       | 19,137      | 18,474       |
| Constr. (\$)—Res. . . . .                   | 500          | 525         | 0            | Constr. (\$)—Res. . . . .                 | 472          | 3,268       | 233          |
| —Nonres. . . . .                            | 1,865        | 0           | 0            | —Nonres. . . . .                          | 209          | 0           | 969          |
| Deposits (\$) (2 of 3 banks)                | 78,295       | 75,222      | 75,765       | Deposits (\$) (7 of 12 banks)             | 394,817      | 405,351     | 335,550      |
| <b>AURORA (1982 pop. 178,665)</b>           |              |             |              | <b>ESTES PARK (1982 pop. 2,934)</b>       |              |             |              |
| Electric Power (kwh) . . . .                | 77,792       | 83,667      | 72,336       | Electric Power (kwh) . . . .              | 4,818        | 4,395       | 4,490        |
| Constr. (\$)—Res. . . . .                   | 25,399       | 30,720      | 11,077       | Constr. (\$)—Res. . . . .                 | 393          | 284         | 273          |
| —Nonres. . . . .                            | 4,066        | 4,673       | 5,938        | —Nonres. . . . .                          | 136          | 0           | 0            |
| Deposits (\$) (10 of 14 banks)              | 264,099      | 268,570     | 199,934      | Deposits (\$) (2 of 2 banks)              | 40,802       | 39,289      | 34,030       |
| <b>BOULDER (1982 pop. 80,651)</b>           |              |             |              | <b>FORT COLLINS (1982 pop. 68,307)</b>    |              |             |              |
| Electric Power (kwh) . . . .                | 51,959       | 55,404      | 48,060       | Electric Power (kwh) . . . .              | 39,713       | 41,349      | 37,393       |
| Constr. (\$)—Res. . . . .                   | 4,460        | 2,479       | 3,446        | Constr. (\$)—Res. . . . .                 | 5,872        | 5,709       | 659          |
| —Nonres. . . . .                            | 3,209        | 1,211       | 4,065        | —Nonres. . . . .                          | 2,170        | 2,517       | 10,978       |
| Deposits (\$) (10 of 10 banks)              | 552,263      | 562,674     | 445,512      | Deposits (\$) (8 of 8 banks)              | 415,591      | 429,073     | 343,976      |
| <b>BRIGHTON (1982 pop. 13,239)</b>          |              |             |              | <b>FORT MORGAN (1982 pop. 8,913)</b>      |              |             |              |
| Electric Power (kwh) . . . .                | 4,757        | 4,632       | 4,519        | Electric Power (kwh) . . . .              | 7,015        | 6,177       | 6,789        |
| Constr. (\$)—Res. . . . .                   | 214          | 60          | 36           | Constr. (\$)—Res. . . . .                 | n.r.         | 167         | 0            |
| —Nonres. . . . .                            | 129          | 172         | 76           | —Nonres. . . . .                          | n.r.         | 0           | 5            |
| Deposits (\$) (2 of 2 banks)                | 59,048       | 60,943      | 54,488       | Deposits (\$) (3 of 3 banks)              | 96,362       | 97,947      | 86,469       |
| <b>BROOMFIELD (1982 pop. 22,452)</b>        |              |             |              | <b>GLENWOOD SPRINGS (1982 pop. 5,000)</b> |              |             |              |
| Electric Power (kwh) . . . .                | 9,985        | 8,537       | 9,858        | Electric Power (kwh) . . . .              | 4,689        | 4,686       | 4,572        |
| Constr. (\$)—Res. . . . .                   | 687          | 575         | 129          | Constr. (\$)—Res. . . . .                 | 120          | 0           | 219          |
| —Nonres. . . . .                            | 5,017        | 0           | 293          | —Nonres. . . . .                          | 0            | 216         | 3,979        |
| Deposits (\$) (2 of 2 banks)                | 60,211       | 60,902      | 49,875       | Deposits (\$) (3 of 3 banks)              | 122,877      | 127,536     | 112,372      |
| <b>CANON CITY (1982 pop. 13,576)</b>        |              |             |              | <b>GOLDEN (1982 pop. 13,109)</b>          |              |             |              |
| Electric Power (kwh) . . . .                | 25,000       | 22,643      | 23,321       | Electric Power (kwh) . . . .              | 5,487        | 5,635       | 7,279        |
| Constr. (\$)—Res. . . . .                   | 114          | 108         | 30           | Constr. (\$)—Res. . . . .                 | 1,902        | 307         | 293          |
| —Nonres. . . . .                            | 0            | 72          | 56           | —Nonres. . . . .                          | 711          | 0           | 61           |
| Deposits (\$) (3 of 3 banks)                | 108,121      | 108,588     | 104,001      | Deposits (\$) (3 of 3 banks)              | 155,269      | 156,053     | 135,850      |
| <b>COLORADO SPRINGS (1982 pop. 230,553)</b> |              |             |              | <b>GRAND JUNCTION (1982 pop. 32,082)</b>  |              |             |              |
| Electric Power (kwh) . . . .                | 153,704      | 158,001     | 144,905      | Electric Power (kwh) . . . .              | 18,671       | 17,160      | 18,296       |
| Constr. (\$)—Res. . . . .                   | 31,358       | 30,153      | 9,857        | Constr. (\$)—Res. . . . .                 | 250          | 100         | 776          |
| —Nonres. . . . .                            | 13,019       | 9,458       | 27,813       | —Nonres. . . . .                          | 2,229        | 378         | 336          |
| Deposits (\$) (17 of 20 banks)              | 981,800*     | 1,016,896   | 878,937      | Deposits (\$) (5 of 5 banks)              | 345,624      | 355,459     | 348,620      |
| <b>COMMERCE CITY (1982 pop. 16,412)</b>     |              |             |              | <b>GREELEY (1982 pop. 54,063)</b>         |              |             |              |
| Electric Power (kwh) . . . .                | 33,359       | 18,891      | 24,093       | Electric Power (kwh) . . . .              | 25,691       | 23,919      | 23,919       |
| Constr. (\$)—Res. . . . .                   | 55           | 33          | 539          | Constr. (\$)—Res. . . . .                 | 1,427        | 1,451       | 579          |
| —Nonres. . . . .                            | 100          | 716         | 0            | —Nonres. . . . .                          | 61           | 134         | 9,856        |
| Deposits (\$) (1 of 1 bank)                 | 26,800       | 28,862      | 24,629       | Deposits (\$) (9 of 9 banks)              | 478,495      | 477,168     | 410,858      |
| <b>CORTEZ (1982 pop. 7,489)</b>             |              |             |              | <b>GUNNISON (1982 pop. 6,031)</b>         |              |             |              |
| Electric Power (kwh) . . . .                | 3,347        | 3,435       | 3,324        | Electric Power (kwh) . . . .              | 3,043        | 3,579       | 3,005        |
| Constr. (\$)—Res. . . . .                   | 0            | 255         | 979          | Constr. (\$)—Res. . . . .                 | 0            | 31          | 0            |
| —Nonres. . . . .                            | 215          | 16          | 0            | —Nonres. . . . .                          | 36           | 0           | 58           |
| Deposits (\$) (3 of 3 banks)                | 91,448       | 96,871      | 77,354       | Deposits (\$) (2 of 2 banks)              | 47,776       | 49,703      | 42,875       |
| <b>CRAIG (1982 pop. 10,000)</b>             |              |             |              | <b>LA JUNTA (1982 pop. 8,338)</b>         |              |             |              |
| Electric Power (kwh) . . . .                | 4,015        | 4,342       | 4,867        | Electric Power (kwh) . . . .              | 4,670        | 4,709       | 4,223        |
| Constr. (\$)—Res. . . . .                   | 88           | 0           | 115          | Constr. (\$)—Res. . . . .                 | 0            | 83          | 168          |
| —Nonres. . . . .                            | 0            | 0           | 1,146        | —Nonres. . . . .                          | 0            | 0           | 23           |
| Deposits (\$) (2 of 2 banks)                | 61,902       | 63,348      | 65,368       | Deposits (\$) (2 of 2 banks)              | 53,546       | 55,386      | 46,569       |



LOCAL BUSINESS CONDITIONS—Continued

|                                               | June<br>1983 | May<br>1983 | June<br>1982 |                                       | June<br>1983 | May<br>1983 | June<br>1982 |
|-----------------------------------------------|--------------|-------------|--------------|---------------------------------------|--------------|-------------|--------------|
| <b>LAFAYETTE (1982 pop. 10,115)</b>           |              |             |              | <b>ROCKY FORD (1982 pop. 4,574)</b>   |              |             |              |
| Electric Power (kwh) . . . .                  | 2,558        | 2,540       | 2,293        | Electric Power (kwh) . . . .          | 4,853        | 4,360       | 5,028        |
| Constr. (\$)—Res. . . . .                     | 641          | 805         | 994          | Constr. (\$)—Res. . . . .             | 0            | 0           | 0            |
| —Nonres. . . . .                              | 0            | 250         | 0            | —Nonres. . . . .                      | 11           | 15          | 0            |
| Deposits (\$) (1 of 1 bank)                   | 16,874       | 16,869      | 15,879       | Deposits (\$) (1 of 2 banks)          | 13,587       | 14,003      | 13,652       |
| <b>LAKEWOOD (1982 pop. 117,436)</b>           |              |             |              | <b>SALIDA (1982 pop. 4,478)</b>       |              |             |              |
| Electric Power (kwh) . . . .                  | 59,594       | 50,414      | 49,546       | Electric Power (kwh) . . . .          | 1,568        | 2,293       | 1,543        |
| Constr. (\$)—Res. . . . .                     | 7,283        | 9,969       | 5,135        | Constr. (\$)—Res. . . . .             | 0            | 0           | 0            |
| —Nonres. . . . .                              | 160          | 0           | 11,468       | —Nonres. . . . .                      | 0            | 0           | 2,919        |
| Deposits (\$) (12 of 12 banks)                | 583,599      | 565,455     | 482,168      | Deposits (\$) (2 of 2 banks)          | 43,634       | 45,765      | 39,041       |
| <b>LAMAR (1982 pop. 7,793)</b>                |              |             |              | <b>STERLING (1982 pop. 11,470)</b>    |              |             |              |
| Electric Power (kwh) . . . .                  | 5,280        | 5,001       | 5,884        | Electric Power (kwh) . . . .          | 5,344        | 5,473       | 5,510        |
| Constr. (\$)—Res. . . . .                     | 84           | 54          | 48           | Constr. (\$)—Res. . . . .             | 53           | 0           | 12           |
| —Nonres. . . . .                              | 38           | 25          | 140          | —Nonres. . . . .                      | 771          | 0           | 0            |
| Deposits (\$) (2 of 2 banks)                  | 82,356       | 82,805      | 66,313       | Deposits (\$) (3 of 3 banks)          | 146,019      | 143,345     | 135,118      |
| <b>LITTLETON (1982 pop. 30,001)</b>           |              |             |              | <b>THORNTON (1982 pop. 44,130)</b>    |              |             |              |
| Electric Power (kwh) . . . .                  | 15,896       | 15,123      | 14,400       | Electric Power (kwh) . . . .          | 15,856       | 15,904      | 14,376       |
| Constr. (\$)—Res. . . . .                     | 3,934        | 1,700       | 3,272        | Constr. (\$)—Res. . . . .             | 2,642        | 2,655       | 338          |
| —Nonres. . . . .                              | 364          | 3,728       | 5,992        | —Nonres. . . . .                      | 1,250        | 4,372       | 945          |
| Deposits (\$) (9 of 11 banks)                 | 233,058      | 244,824     | 184,956      | Deposits (\$) (1 of 1 bank)           | 26,744       | 26,499      | 24,526       |
| <b>LONGMONT (1982 pop. 46,313)</b>            |              |             |              | <b>TRINIDAD (1982 pop. 9,900)</b>     |              |             |              |
| Electric Power (kwh) . . . .                  | 21,512       | 22,102      | 18,671       | Electric Power (kwh) . . . .          | 2,727        | 2,790       | 2,717        |
| Constr. (\$)—Res. . . . .                     | 3,770        | 2,185       | 1,764        | Constr. (\$)—Res. . . . .             | 0            | 0           | 0            |
| —Nonres. . . . .                              | 1,720        | 697         | 970          | —Nonres. . . . .                      | 0            | 0           | 80           |
| Deposits (\$) (5 of 5 banks)                  | 209,056      | 211,723     | 171,508      | Deposits (\$) (2 of 2 banks)          | 55,880       | 56,155      | 51,568       |
| <b>LOUISVILLE (1982 pop. 6,067)</b>           |              |             |              | <b>WESTMINSTER (1982 pop. 54,995)</b> |              |             |              |
| Electric Power (kwh) . . . .                  | 10,061       | 10,116      | 8,183        | Electric Power (kwh) . . . .          | 23,786       | 21,112      | 18,555       |
| Constr. (\$)—Res. . . . .                     | 6,417        | 2,187       | 1,091        | Constr. (\$)—Res. . . . .             | 5,430        | 8,296       | 2,482        |
| —Nonres. . . . .                              | 0            | 299         | 1,267        | —Nonres. . . . .                      | 4,200        | 3,582       | 45           |
| Deposits (\$) (2 of 2 banks)                  | 25,526       | 26,672      | 17,414       | Deposits (\$) (3 of 3 banks)          | 98,993       | 99,767      | 84,714       |
| <b>LOVELAND (1982 pop. 30,962)</b>            |              |             |              | <b>WHEAT RIDGE (1982 pop. 31,743)</b> |              |             |              |
| Electric Power (kwh) . . . .                  | 20,105       | 20,158      | 15,468       | Electric Power (kwh) . . . .          | 21,342       | 22,143      | 19,674       |
| Constr. (\$)—Res. . . . .                     | 1,638        | 1,966       | 954          | Constr. (\$)—Res. . . . .             | 1,316        | 0           | 2,618        |
| —Nonres. . . . .                              | 125          | 106         | 130          | —Nonres. . . . .                      | 3,832        | 1,843       | 207          |
| Deposits (\$) (4 of 4 banks)                  | 148,285      | 151,373     | 127,495      | Deposits (\$) (2 of 2 banks)          | 91,697       | 91,687      | 70,363       |
| <b>MONTROSE (1982 pop. 8,895)<sup>b</sup></b> |              |             |              |                                       |              |             |              |
| Constr. (\$)—Res. . . . .                     | 197          | 353         | 125          |                                       |              |             |              |
| —Nonres. . . . .                              | 180          | 90          | 0            |                                       |              |             |              |
| Deposits (\$) (3 of 3 banks)                  | 108,581      | 112,030     | 103,454      |                                       |              |             |              |
| <b>NORTHGLENN (1982 pop. 30,980)</b>          |              |             |              |                                       |              |             |              |
| Electric Power (kwh) . . . .                  | 9,924        | 10,157      | 9,558        |                                       |              |             |              |
| Constr. (\$)—Res. . . . .                     | 0            | 0           | 0            |                                       |              |             |              |
| —Nonres. . . . .                              | 741          | 3,502       | 0            |                                       |              |             |              |
| Deposits (\$) (2 of 3 banks)                  | 68,825       | 71,800      | 58,560       |                                       |              |             |              |
| <b>PUEBLO (1982 pop. 99,619)</b>              |              |             |              |                                       |              |             |              |
| Electric Power (kwh) . . . .                  | 45,676       | 45,733      | 45,597       |                                       |              |             |              |
| Constr. (\$)—Res. . . . .                     | 435          | 436         | 528          |                                       |              |             |              |
| —Nonres. . . . .                              | 1,095        | 299         | 135          |                                       |              |             |              |
| Deposits (\$) (8 of 9 banks)                  | 393,570      | 394,524     | 345,353      |                                       |              |             |              |

<sup>a</sup>Regional figures.

<sup>b</sup>Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.  
Construction figures are valuation of new residential and nonresidential construction only.  
Deposit figures are total deposits in commercial banks as of last day of month.  
n.r.—not reported  
\*—preliminary data  
r—revised data

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# Colorado Business Review

BUSINESS RESEARCH DIVISION • GRADUATE SCHOOL OF BUSINESS ADMINISTRATION • UNIVERSITY OF COLORADO

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Volume LVI, Number 11, November 1983

# So You Want to Attract High-Tech Firms

## PART II

Clark E. Chastain

Clark E. Chastain is a professor of accounting at the University of Michigan—Flint.

### WHAT DO HIGH-TECH FIRMS NEED AND WANT

Communities must also offer cultural events, stores, quality schools, theaters, churches, parks, and adequate meeting accommodations for groups. Professional employees usually expect and have alternative employment options that include a wide array of community support; a pleasant environment is also important. Austin Chamber of Commerce officials, seeking to convince the MCC Site Committee that the city's environment was favorable, took committee members about town to stress the mountains, trees, and lakes. The idea was to dispel the notion that Austin is a "typical" Texas location: flat with only sand and cactus in the landscape.

So far we have emphasized common needs of established high-technology firms. The needs of the entrepreneurial firm differ from those of the established firm. Professor David Brophy of the University of Michigan argues that the critical need of the beginning entrepreneur is venture capital<sup>8</sup>—high-risk capital needed to get a venture concern operating. He notes that Boston and the Silicon Valley areas have a great deal of venture capital readily available while Michigan, for example, does not, although at least seven venture capital firms now operate in the state and the Michigan Commerce Department has established a venture capital fund of \$3 million for minority-owned firms.

Apparently many states offer some help with venture capital.<sup>9</sup> The Foundation for Science and Applied Research seeks venture funds for products developed through basic research at the University of Pittsburgh. In Germany, where only a handful of venture-capital firms are found and the banks shy away from providing risk capital to small companies, SM Software, a designer of computer programs, recently went public through the aid of a bank. Until now the scarcity of venture money has retarded the growth of high-technology companies in Germany, but public stock sales may alleviate the bottleneck.<sup>10</sup>

A favorable growth environment, says Brophy, is also mandatory to retain high-tech firms.<sup>11</sup> Such an environment includes (1) venture capital concerns; (2) banks, life insurance companies, pension funds and brokerage houses which will refer entrepreneurs to venture-capital concerns and support financing efforts; (3) service professionals, lawyers, accountants, financial advisors, and tax

experts; and (4) individual funds channeled to growth firms. In what could be a step toward a comprehensive integrated plan, Brophy has organized a venture capital symposium to bring these groups, including national representatives, together to spur high-tech development in Michigan.

The Austin Chamber of Commerce offers this advice for retaining research-oriented firms: "(Give them) every possible assistance to expansion needs, and (help) troubleshoot any expansion or other problems (zoning, utility needs, specialized employee skill recruitment, etc.)."<sup>12</sup>

### WHAT CAN STATES AND COMMUNITIES DO TO ATTRACT HIGH-TECH FIRMS?

The race (some call it a war) for high-tech organizations is rapidly gaining momentum. Three states—Arizona, Florida, and Texas—may soon advance to among the front runners. Also, hit hard by the recession, midwestern states, especially those bordering on the Great Lakes, have much to gain from attracting technology pacesetters. So far, California, Massachusetts, New York and North Carolina, continue to lead in the relentless pursuit. Our study suggests that, in addition to the approach already described, an organization should take the following steps to gain high-tech concerns.

First, and perhaps most important, develop a multifaceted program with comprehensive coverage of universities, state offices, business groups, and research institutes. This program must be closely integrated and aggressively run. In some cases cooperation from labor unions may be necessary. The success of a multifold approach has been demonstrated by several states, by Japan, and by the Province of Ontario, and European countries are aware of the need for and are trying to develop a teamwork approach. The six Great Lakes states have signed a cooperative pact to encourage university-business cooperation. The recent cooperation among the Governor of Texas, the Austin Chamber of Commerce and other civic leaders, The University of Texas and Texas A and M in successfully winning the MCC consortium strongly supports the need for cooperative effort.

A regional metropolitan plan, not closely integrated into a statewide program, can also provide significant success. Using direct sales, advertising, promotion, public relations, research and sometimes special incentives, the city of San Diego has attracted about 250 electronics firms and 95 companies in health science and biomedical activities (synthetic vaccines, growth hormones, proteins, diagnostic reagents, pharmaceuticals and electronic medical systems). Research companies are located in the numerous research parks clustered around a scientific research zone and The University of California at San Diego, while the electronics concerns are widely scattered. Outstanding deep-water port facilities, the fact many people enjoy living in the San

<sup>8</sup>Brophy, *op. cit.*

<sup>9</sup>The U.S. Office of Technology Assessment lists 22 states as seriously pursuing high-tech firms, with California, Massachusetts, North Carolina, and New York the most aggressive. Report released May 24, 1983.

<sup>10</sup>"High Tech Tries an End Run Around Germany's Banks," *Business Week*, July 18, 1983.

<sup>11</sup>Brophy, *op. cit.*

<sup>12</sup>Survey, June 13, 1983, *op. cit.*



Diego area, and the possession of a group of strong universities have helped the city compete with other major metropolitan areas such as Phoenix, Tucson, Sacramento, Dallas, Houston, Atlanta, Austin, San Antonio, Colorado Springs and North Carolina's Research Triangle. Outside the sun belt, Seattle and Portland compete strongly for electronics/aerospace while Philadelphia, New England, the South, and selected midwestern states offer strong general competition.

San Diego's Economic Development Corporation (EDC) sees its program as limited in marketing the San Diego area as a site for high-technology because its local regional plan is not totally integrated into state efforts. Also it does not have proximity to strong retail and wholesale markets in addition to its population (greatly blocked by Los Angeles), and housing, plant sites and energy costs are high. In response to a survey, EDC officials commented about the use of special incentives, "We do not really know whether incentives are the way to go or not."<sup>13</sup>

Second, carefully inventory resources for supporting high-tech concerns. Thorough analysis of these data coupled with consideration of the needs and wishes of participants will suggest an action program. The state or community can begin its inventory using as a classification major criteria considered in locating companies: (1) labor (availability, cost and skills), (2) transportation, (3) proximity to markets, (4) business climate, (5) energy (availability and cost), (6) proximity to support services, (7) quality of life, (8) unionization, (9) taxes, (10) housing (availability and cost), (11) industrial property (availability and cost), (12) educational facilities, (13) cultural and social facilities, (14) capital availability, and (15) supporting professionals. Comprehensive data should be gathered for each criterion and an objective assessment should be made of advantages and disadvantages for each factor.

Third, match the inventory of resources available with the types and levels of high-tech firms they are able to support. For example, to concentrate on medical, pharmaceutical and biotechnical types of high-tech concerns, the region should have a number of research-oriented hospitals which have agreed to cooperative participation. Michigan, with its automotive manufacturing operations and a large number of existing computer firms, should stress retention and growth of the firms in the state, cooperation among them, and orientation of their work toward support of the automakers.

Fourth, establish, train and monitor recruiting missions as part of the organized state-wide plan to write, phone, visit, educate, and persuade established high-technology firms in other states and in foreign countries to locate within the state's boundaries. Metropolitan areas, necessarily part of the state network, may want to follow similar independent recruiting steps.

The Office of Economic Development in Michigan describes some essential ingredients: "advertising and public relations campaigns, wheedling company officials, making deals, mediating company-community feuds and developing hard, factual, data for companies' use."<sup>14</sup>

Officials continue, "It involves glitzy diplomacy . . . financial wheeling-dealing . . . marketing, surveys, building appraisals, advice and tours of cities and plant sites." It may even include "pleading with localities to fulfill promises higher officials may have made over cocktails without consulting local leaders."

Recruiting missions are really a specific aspect of the broader marketing function. San Diego's EDC illustrates the use of an aggressive marketing strategy which emphasizes advertising, direct sales, public relations, support programs and collateral materials. It targets geographic areas by priority for the current year. Then it directs advertising and marketing communications to top corporate officers and site selection specialists/industrial development consultants in these areas. It also advertises in a number of local, national, and foreign publications, such as *Fortune*, *Forbes*, *California Business*, *International Management (Europe)*, *Nikkei*, *Nikon Keizai*, and *U.S. Japan Business News*. An ad in *Fortune* in 1979 produced almost 17,000 responses, indicating the success of the advertising.

San Diego's EDC widely involves its membership in marketing operations. Executives of San Diego electronic and other high-technology firms send letters directly to their counterparts in companies located in New England and the Southwest, soliciting them to locate in San Diego. High quality, personalized (prospect) lists are critical for success. Staff and area executives visit Japan on trade missions. Executives who are members of the EDC are termed the Mayor's Task Force and are provided with "fact kits" to win over prospects when traveling. Top corporate officers in the Executives' Roundtable are asked to communicate the advantages of San Diego in interactions with clients. The EDC is also promoting a strong local-regional public relations program about economic development and business accomplishments.

Fifth, if business climate is a problem, work to place it in perspective and compensate for it. Emphasize positive features, such as a large pool of skilled and semi-skilled workers, immediate access to distribution networks, and a prestigious educational system. If high taxes are a problem seek to provide tax abatements and other financial incentives. If bureaucracy with intimidating red tape is scaring company executives away, seek to reduce the number of required forms and regulations.

Sixth, consider and make an effort to gain cooperation from strong labor unions. It is necessary to convince prospective entrepreneurs that they will receive cooperative support from unions in working toward their goals. The UAW blueprint for a new industrial policy, which recognizes the need for a policy supporting the high-tech sectors, indicates unions are willing to cooperate with high-tech firms. A proposed agency is a National Civilian Technology Administration, which would provide research and development assistance to firms in fields involving new technologies.

Seventh, find ways to augment risk capital available to firms for start-up, venture needs, and expansion and growth. Brophy claims that his annual symposium has helped in Michigan. Herbert Doan, former President of Dow Chemical, founded Doan Resources, which is one of the best known venture capital concerns in Michigan and brings its total number of these concerns to seven. States should seek to form and expand venture capital funds, and to

<sup>13</sup>Received July 11, 1983.

<sup>14</sup>August Gribbin, "Michigan Works Harder to Attract New Business," *The Detroit News*, June 12, 1983, p. 1.

encourage a receptive attitude toward high-tech on the part of executives from banks, insurance companies and institutional lenders—to cooperate and help entrepreneurs and officials in new high-technology firms would be an important step forward.

Eighth, establish attractive research parks, such as North Carolina's Triangle, and locate them close to housing, cultural, and recreational facilities. Noted futurist Alvin Toffler, in his new book, *Previews and Premises*, predicts that many employees will soon work in their homes with computer tie-ins. The location of suburban home developments near high-tech company concentrations or research parks will facilitate this social practice.

Ninth, support the expansion and growth needs of research-based concerns as strongly as their initial recruitment is supported.

Tenth, increase state appropriations for engineering, computer science and management schools and their research programs. Earmark a desired level of funds specifically for the advancement of high-technology activities. A five-year lead time is necessary to attract some research firms. To illustrate the need for the increased instructional purposes, the American Electronics Association in July this year predicted that the electronics and information technology industries will be short about 113,500 electrical and computer science engineers over the next five years.

One final point. It is clear that the competition for high-tech firms is fluid and rapidly changing. The needs of high-technology firms, and the needs of industries absorbing their advancements, are dynamic and will continue to be so for several years. Therefore, to successfully attract and retain new ventures potential hosts must continually revise their programs, expanding, augmenting the resources available, and providing incentives and other support.

To gain further general information and ideas on improving economic and high-tech development programs, officials should communicate with other state and major metropolitan centers for copies of their reports and promotional literature. A review of these individual programs will usually prove helpful.

#### **SUMMARY AND CONCLUSIONS**

High-tech firms—firms in drugs, electronics, information, telecommunications, robots, lasers, fiber optics, and genetic engineering—are the vanguard of industrial activity. The cutting-edge aspects of these industries, leading our nation in innovation, coupled with their earning of high profits and increased jobs, their spending, their nucleus effect on creating and attracting other similar operations, their lending of prestige to a region and their upgrading of social and cultural life, make them highly sought after by states and urban regions.

A primary need of high technology is advanced educational programs. University research must support the

ventures' technical expertise and provide established supporting procedures for transferring university research findings to their use. Low cost of living and low-cost sites, a favorable business climate, an abundance of skilled labor, relatively low taxes and desirable living conditions near research parks or other central locations are primary requisites for attracting advanced-technology concerns. In some areas venture capital for new start-ups and expansion may be essential.

States and cities which wish to speed up their acquisition of research-based, high-technology firms should make an overall plan that includes government officials, universities and businesspersons. They should then inventory their resources and match these resources against appropriate high-tech firms they can best recruit and support. Recruiting teams of staff, businesspersons and other leaders are needed to study, target and persuade new firms to come to an area and persuade old concerns to remain. A host can compensate firms significantly for a negative business climate by granting financial incentives, especially where taxes and cost of living are high. A more cooperative relationship with aggressive unions will improve the business climate. Venture capital can be increased by establishing new venture capital firms and making more public funds available, and research parks and other locations for high-tech concerns should be established with easy close access to housing, cultural and other facilities needed by employees.

Continued support by state and private sector resources is necessary for expansion needs of high technology. Increased appropriations for university graduate and research programs in engineering, computer science and business should be made. Finally, even a carefully designed program must be aggressively implemented and updated frequently as the high-technology environment changes.

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**COLORADO BUSINESS INDICATORS**  
(Figures in Thousands Unless Otherwise Indicated)

|                                                                           | July<br>1983 | June<br>1983 | July<br>1982 | Percent Change<br>July 1983 from |              |
|---------------------------------------------------------------------------|--------------|--------------|--------------|----------------------------------|--------------|
|                                                                           |              |              |              | June<br>1983                     | July<br>1982 |
| Total Civilian Labor Force (by place of residence) <sup>a</sup> . . . . . | 1,685.1      | 1,678.8      | 1,600.5      | - 0.8                            | 4.0          |
| Unemployment . . . . .                                                    | 111.9        | 122.1        | 127.6        | - 8.4                            | -12.3        |
| Unemployment Rate (percent) . . . . .                                     | 6.7          | 7.3          | 8.0          | -                                | -            |
| Employment . . . . .                                                      | 1,553.2      | 1,556.7      | 1,472.9      | - 0.2                            | 5.5          |
| Nonagricultural Wage and Salary . . . . .                                 | 1,502.9      | 1,509.7      | 1,422.0      | - 0.5                            | 5.7          |
| Agricultural . . . . .                                                    | 50.3         | 47.0         | 150.9        | 7.0                              | - 1.2        |
| <b>Total Nonagricultural Wage and Salary</b>                              |              |              |              |                                  |              |
| Employment (by place of work) <sup>a</sup> . . . . .                      | 1,332.9      | 1,343.3      | 1,303.4      | - 0.8                            | 2.3          |
| Mining . . . . .                                                          | 39.9         | 39.3         | 43.2         | 1.5                              | - 7.6        |
| Metallic Minerals . . . . .                                               | 5.9          | 6.0          | 8.1          | - 1.7                            | -27.2        |
| Bituminous Coal, Lignite, and Nonmetallic . . . . .                       | 4.6          | 4.6          | 5.2          | 0.0                              | -13.2        |
| Oil and Gas Extraction . . . . .                                          | 29.4         | 28.7         | 29.7         | 2.4                              | - 1.0        |
| Contract Construction . . . . .                                           | 88.3         | 86.4         | 82.4         | 2.2                              | 7.2          |
| Manufacturing . . . . .                                                   | 181.1        | 179.7        | 182.7        | 0.8                              | - 0.9        |
| Lumber, Wood Products, and Furniture . . . . .                            | 7.1          | 6.8          | 6.5          | 4.4                              | 9.2          |
| Stone, Clay, Glass, and Concrete Products . . . . .                       | 9.7          | 9.7          | 10.7         | 0.0                              | - 9.4        |
| Primary and Fabricated Metals . . . . .                                   | 14.2         | 14.4         | 16.0         | - 1.4                            | -11.3        |
| Machinery, Except Electrical . . . . .                                    | 25.6         | 25.0         | 25.8         | 2.4                              | - 0.8        |
| Electric and Electronic Equipment . . . . .                               | 17.6         | 17.5         | 16.8         | 0.6                              | 4.8          |
| Transportation Equipment . . . . .                                        | 13.6         | 13.7         | 14.4         | - 0.7                            | - 5.6        |
| Other Durable Goods . . . . .                                             | 28.0         | 28.0         | 28.2         | 0.0                              | - 0.7        |
| Food and Kindred Products . . . . .                                       | 24.2         | 23.5         | 24.3         | 3.0                              | - 0.4        |
| Textiles and Apparel . . . . .                                            | 3.3          | 3.3          | 3.2          | 0.0                              | 3.1          |
| Paper and Allied Products . . . . .                                       | 2.0          | 2.0          | 2.0          | 0.0                              | 0.0          |
| Printing and Publishing . . . . .                                         | 19.0         | 19.0         | 18.5         | 0.0                              | 2.7          |
| Chemicals and Allied Products . . . . .                                   | 7.9          | 7.9          | 7.5          | 0.0                              | 4.0          |
| Other Nondurable Goods . . . . .                                          | 8.7          | 8.8          | 8.8          | - 1.1                            | - 1.1        |
| Finance, Insurance, and Real Estate . . . . .                             | 86.9         | 87.0         | 84.1         | - 0.1                            | 3.3          |
| Banking . . . . .                                                         | 21.2         | 21.3         | 21.7         | - 0.5                            | - 2.3        |
| Credit Agencies Other than Banks . . . . .                                | 13.4         | 13.3         | 12.8         | 0.8                              | 4.7          |
| Insurance Carriers, Agents, and Brokers . . . . .                         | 20.6         | 20.6         | 20.3         | 0.0                              | 1.5          |
| Real Estate and Combination Offices . . . . .                             | 23.2         | 23.3         | 22.1         | - 0.4                            | 5.0          |
| Other Finance, Insurance, and Real Estate . . . . .                       | 8.6          | 8.5          | 7.2          | 1.2                              | 19.4         |
| Transportation and Public Utilities . . . . .                             | 85.2         | 84.5         | 85.8         | 0.8                              | - 0.7        |
| Railroad Transportation . . . . .                                         | 5.7          | 5.5          | 6.1          | 3.6                              | - 6.6        |
| Trucking and Warehousing . . . . .                                        | 16.8         | 17.0         | 16.9         | - 1.2                            | - 0.6        |
| Air Transportation . . . . .                                              | 15.4         | 15.0         | 14.2         | 2.7                              | 8.5          |
| Other Transportation . . . . .                                            | 6.5          | 6.4          | 6.7          | 1.6                              | - 3.0        |
| Communications, Electric, Gas, and Sanitary Services . . . . .            | 40.9         | 40.5         | 42.0         | 1.0                              | - 2.6        |
| Trade . . . . .                                                           | 329.1        | 330.3        | 321.5        | - 0.4                            | 2.4          |
| Wholesale Trade . . . . .                                                 | 81.9         | 81.5         | 81.5         | 0.5                              | 0.5          |
| Retail Trade . . . . .                                                    | 247.1        | 248.8        | 240.0        | - 0.7                            | 3.0          |
| Services . . . . .                                                        | 294.2        | 293.3        | 280.8        | 0.3                              | 4.8          |
| Lodging and Combination Lodging/Eating Places . . . . .                   | 28.2         | 26.6         | 26.1         | 6.0                              | 8.1          |
| Personal Services . . . . .                                               | 15.0         | 15.1         | 14.1         | - 0.7                            | 6.4          |
| Business Services . . . . .                                               | 57.7         | 57.3         | 51.9         | 0.7                              | 11.2         |
| Auto and Miscellaneous Repair Services . . . . .                          | 14.6         | 14.6         | 14.1         | 0.0                              | 3.6          |
| Amusements and Recreation . . . . .                                       | 21.0         | 20.8         | 19.4         | 1.0                              | 8.3          |
| Health Services . . . . .                                                 | 73.6         | 73.7         | 72.5         | - 0.1                            | 1.5          |
| Educational Services . . . . .                                            | 8.9          | 10.3         | 8.5          | -13.6                            | 4.7          |
| Membership Organizations . . . . .                                        | 20.4         | 20.4         | 20.3         | 0.0                              | 0.5          |
| Other Services . . . . .                                                  | 54.7         | 54.5         | 53.8         | 0.4                              | 1.7          |
| Government . . . . .                                                      | 228.2        | 242.7        | 223.0        | - 6.0                            | 2.3          |
| Federal . . . . .                                                         | 53.6         | 53.5         | 51.8         | 0.2                              | 3.5          |
| State . . . . .                                                           | 49.9         | 51.3         | 49.4         | - 2.7                            | 1.0          |
| Local . . . . .                                                           | 124.7        | 137.9        | 121.8        | - 9.6                            | 2.4          |



|                                                                                | July<br>1983 | June<br>1983 | July<br>1982 | Percent Change<br>July 1983 from<br>June 1983      July<br>1982 |       |
|--------------------------------------------------------------------------------|--------------|--------------|--------------|-----------------------------------------------------------------|-------|
| <b>Average Weekly Hours</b>                                                    |              |              |              |                                                                 |       |
| Construction . . . . .                                                         | 39.4         | 38.5         | 38.1         | 2.3                                                             | 3.4   |
| Manufacturing . . . . .                                                        | 39.9         | 40.1         | 38.9         | - 0.5                                                           | 2.6   |
| Durable Goods . . . . .                                                        | 40.1         | 40.6         | 39.3         | - 1.2                                                           | 2.0   |
| Nondurable Goods . . . . .                                                     | 39.5         | 39.3         | 38.1         | 0.5                                                             | 3.7   |
| <b>Average Weekly Earnings (\$)</b>                                            |              |              |              |                                                                 |       |
| Construction . . . . .                                                         | 527.17       | 509.74       | 502.16       | 3.4                                                             | 5.0   |
| Manufacturing . . . . .                                                        | 359.50       | 364.91       | 335.32       | - 1.5                                                           | 7.2   |
| Durable Goods . . . . .                                                        | 364.51       | 373.11       | 345.05       | - 2.3                                                           | 5.6   |
| Nondurable Goods . . . . .                                                     | 350.36       | 352.52       | 318.13       | - 0.6                                                           | 10.1  |
| Initial Unemployment Claims (000) . . . . .                                    | 14.1         | 16.0         | 19.6         | -11.9                                                           | -28.1 |
| Bankruptcies, All Types (number) . . . . .                                     | 480          | 500          | 514          | - 4.0                                                           | - 6.6 |
| Total State Revenue (\$000) . . . . .                                          | 205,895      | 687,042      | 188,220      | -70.0                                                           | 9.4   |
| Total State Expenditures (\$000) . . . . .                                     | 203,283      | 511,568      | 203,283      | -60.3                                                           | 0.0   |
| Crude Oil Production (thous. bbls.) . . . . .                                  | 2,485        | 2,321        | 2,600        | 7.1                                                             | - 4.4 |
| Dry Gas Production (mil. cu. ft.) . . . . .                                    | 8,602        | 7,310        | 12,489       | 17.7                                                            | -31.2 |
| Coal Production . . . . .                                                      | 923.2        | 1,400.1      | 1,217.9      | -34.1                                                           | -24.2 |
| New Oil and Gas Wells (number) . . . . .                                       | 152          | 144          | 159          | 5.6                                                             | - 4.4 |
| Natural Gas Used (bil. cu. ft.) . . . . .                                      | 5.6          | 6.7          | 6.5          | -16.4                                                           | -13.9 |
| Electrical Power Sales (mil. kwh)                                              |              |              |              |                                                                 |       |
| Residential . . . . .                                                          | 461.0*       | 474.7        | 436.3        | - 2.9                                                           | 5.7   |
| Nonresidential . . . . .                                                       | 1,102.6*     | 992.1        | 1,128.3      | 11.1                                                            | - 2.3 |
| <b>New Construction, 122 places</b>                                            |              |              |              |                                                                 |       |
| Residential permits (number) . . . . .                                         | 2,903        | 3,401        | 1,842        | -14.6                                                           | 57.6  |
| Residential value (\$000) . . . . .                                            | 190,956      | 217,065      | 114,079      | -12.0                                                           | 67.4  |
| Nonresidential permits (number) . . . . .                                      | 328          | 359          | 338          | - 8.6                                                           | - 3.0 |
| Nonresidential value (\$000) . . . . .                                         | 52,569       | 105,087      | 69,972       | -50.0                                                           | -24.9 |
| Highway Contractor Payments (\$000) . . . . .                                  | 11,616       | 10,929       | 14,822       | 6.3                                                             | -21.6 |
| Savings and Loan Net New Savings (\$000) <sup>b</sup> . . . . .                | 112,200      | -40,300      | - 5,400      | —                                                               | —     |
| National Park Recreational Visits—10 Areas (000) <sup>b</sup> . . . . .        | 1,204.8      | 863.4        | 1,120.7      | 39.5                                                            | 7.5   |
| Motor Vehicle Title Applications (000) . . . . .                               | 107.7        | 90.0         | 104.9        | 19.7                                                            | 2.7   |
| Highway Vehicle Traffic Counts at Border<br>Stations (daily average) . . . . . | 56,673       | 49,039       | 57,843       | 15.6                                                            | - 1.7 |
| Air Passengers, Stapleton (000) <sup>c</sup> . . . . .                         | 2,428        | 2,362        | 2,461        | 2.8                                                             | - 1.3 |
| Air Freight and Air Express, Stapleton (thous. lbs.) . . . . .                 | 29,439       | 25,925       | 26,853       | 13.6                                                            | 9.6   |
| <b>Prices Received by Farmers (\$)</b>                                         |              |              |              |                                                                 |       |
| Beef Cattle (per cwt) . . . . .                                                | 61.90        | 64.40        | 64.20        | - 3.9                                                           | - 3.6 |
| Lamb (per cwt) . . . . .                                                       | 52.70        | 56.00        | 58.20        | - 5.9                                                           | - 9.5 |
| Wheat (per bu.) . . . . .                                                      | 3.12         | 3.36         | 3.26         | - 7.1                                                           | - 4.3 |
| Corn (per bu.) . . . . .                                                       | 3.30         | 3.35         | 2.70         | - 1.5                                                           | 22.2  |
| Potatoes (per cwt) . . . . .                                                   | —            | 4.25         | 7.00r        | —                                                               | —     |
| Wool (per lb.) . . . . .                                                       | .48          | .55          | .00r         | -12.7                                                           | -20.0 |

NOTES: An asterisk (\*) indicates preliminary data subject to revision.  
Revised data are marked (r).  
n.r.—not reported.

<sup>a</sup>Employment figures have been updated to a December 1981 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a March 1981 benchmark. Thus, these data are not comparable to that published prior.

<sup>b</sup>New series, thus figures are not comparable to those previously published.

<sup>c</sup>Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Receiver in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from 17 individual companies.

New Construction from Bureau of the Census, U.S. Department of Commerce.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

Recreational Visits from National Park Service, Denver.

Highway Traffic counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.

**LOCAL BUSINESS CONDITIONS**  
(All Figures in Thousands)

|                                             | July<br>1983 | June<br>1983 | July<br>1982 |                                           | July<br>1983 | June<br>1983 | July<br>1982 |
|---------------------------------------------|--------------|--------------|--------------|-------------------------------------------|--------------|--------------|--------------|
| <b>ALAMOSA (1982 pop. 7,182)</b>            |              |              |              | <b>DENVER (1982 pop. 500,800)</b>         |              |              |              |
| Electric Power (kwh) . . . .                | 2,681        | 3,656        | 2,452        | Electric Power (kwh) . . . .              | 346,066      | 318,801      | 324,882      |
| Constr. (\$)—Res. . . . .                   | 60           | 0            | 0            | Constr. (\$)—Res. . . . .                 | 19,671       | 15,857       | 4,906        |
| —Nonres. . . . .                            | 0            | 0            | 19           | —Nonres. . . . .                          | 3,396        | 38,958       | 17,000       |
| Deposits (\$) (2 of 2 banks)                | 52,271       | 51,315       | 47,772       | Deposits (\$) (40 of 45 banks)            | 7,066,585    | 7,261,174    | 6,329,715    |
| <b>ARVADA (1982 pop. 91,262)</b>            |              |              |              | <b>DURANGO (1982 pop. 12,278)</b>         |              |              |              |
| Electric Power (kwh) . . . .                | 26,009       | 25,079       | 25,181       | Electric Power (kwh) . . . .              | 6,361        | 5,306        | 5,460        |
| Constr. (\$)—Res. . . . .                   | 3,228        | 7,183        | 945          | Constr. (\$)—Res. . . . .                 | 1,478        | 304          | 225          |
| —Nonres. . . . .                            | 4,871        | 849          | 0            | —Nonres. . . . .                          | 90           | 200          | 4            |
| Deposits (\$) (4 of 5 banks)                | 109,215      | 107,802      | 87,267       | Deposits (\$) (3 of 3 banks)              | 134,381      | 129,527      | 116,527      |
| <b>ASPEN (1982 pop. 4,081)</b>              |              |              |              | <b>ENGLEWOOD (1982 pop. 30,555)</b>       |              |              |              |
| Electric Power (kwh) . . . .                | 2,816        | n.a.         | 2,391        | Electric Power (kwh) . . . .              | 21,805       | 20,109       | 20,298       |
| Constr. (\$)—Res. . . . .                   | n.r.         | 500          | 310          | Constr. (\$)—Res. . . . .                 | 210          | 472          | 189          |
| —Nonres. . . . .                            | n.r.         | 1,965        | 0            | —Nonres. . . . .                          | 98           | 209          | 527          |
| Deposits (\$) (2 of 3 banks)                | 76,868       | 78,295       | 77,819       | Deposits (\$) (7 of 12 banks)             | 406,846      | 394,817      | 341,368      |
| <b>AURORA (1982 pop. 178,665)</b>           |              |              |              | <b>ESTES PARK (1982 pop. 2,934)</b>       |              |              |              |
| Electric Power (kwh) . . . .                | 83,486       | 77,792       | 73,245       | Electric Power (kwh) . . . .              | 4,967        | 4,818        | 5,246        |
| Constr. (\$)—Res. . . . .                   | 20,068       | 25,399       | 20,830       | Constr. (\$)—Res. . . . .                 | 73           | 393          | 0            |
| —Nonres. . . . .                            | 1,495        | 4,066        | 874          | —Nonres. . . . .                          | 211          | 136          | 14           |
| Deposits (\$) (10 of 14 banks)              | 278,937      | 264,099      | 203,195      | Deposits (\$) (2 of 2 banks)              | 42,774       | 40,802       | 36,511       |
| <b>BOULDER (1982 pop. 80,851)</b>           |              |              |              | <b>FORT COLLINS (1982 pop. 68,307)</b>    |              |              |              |
| Electric Power (kwh) . . . .                | 57,560       | 51,959       | 51,824       | Electric Power (kwh) . . . .              | 42,239       | 39,713       | 36,925       |
| Constr. (\$)—Res. . . . .                   | 3,901        | 4,460        | 370          | Constr. (\$)—Res. . . . .                 | 4,522        | 5,872        | 1,101        |
| —Nonres. . . . .                            | 1,499        | 3,209        | 1,376        | —Nonres. . . . .                          | 1,905        | 2,170        | 1,802        |
| Deposits (\$) (10 of 10 banks)              | 585,554      | 552,263      | 455,824      | Deposits (\$) (8 of 8 banks)              | 399,619      | 415,591      | 346,073      |
| <b>BRIGHTON (1982 pop. 13,239)</b>          |              |              |              | <b>FORT MORGAN (1982 pop. 8,913)</b>      |              |              |              |
| Electric Power (kwh) . . . .                | 4,526        | 4,757        | 4,539        | Electric Power (kwh) . . . .              | 8,189        | 7,015        | 8,369        |
| Constr. (\$)—Res. . . . .                   | 187          | 214          | 149          | Constr. (\$)—Res. . . . .                 | 22           | n.r.         | 0            |
| —Nonres. . . . .                            | 0            | 129          | 0            | —Nonres. . . . .                          | 0            | n.r.         | 0            |
| Deposits (\$) (2 of 2 banks)                | 63,196       | 59,048       | 55,158       | Deposits (\$) (3 of 3 banks)              | 96,562       | 96,362       | 88,388       |
| <b>BROOMFIELD (1982 pop. 22,452)</b>        |              |              |              | <b>GLENWOOD SPRINGS (1982 pop. 5,000)</b> |              |              |              |
| Electric Power (kwh) . . . .                | 8,744        | 9,985        | 9,980        | Electric Power (kwh) . . . .              | 5,053        | 4,889        | 4,785        |
| Constr. (\$)—Res. . . . .                   | 526          | 687          | 80           | Constr. (\$)—Res. . . . .                 | 0            | 120          | 180          |
| —Nonres. . . . .                            | 1,371        | 5,017        | 271          | —Nonres. . . . .                          | 0            | 0            | 0            |
| Deposits (\$) (2 of 2 banks)                | 60,811       | 60,211       | 50,867       | Deposits (\$) (3 of 3 banks)              | 127,115      | 122,877      | 116,383      |
| <b>CANON CITY (1982 pop. 13,576)</b>        |              |              |              | <b>GOLDEN (1982 pop. 13,109)</b>          |              |              |              |
| Electric Power (kwh) . . . .                | 23,890       | 25,000       | 22,726       | Electric Power (kwh) . . . .              | 5,728        | 5,487        | 3,869        |
| Constr. (\$)—Res. . . . .                   | 131          | 114          | 0            | Constr. (\$)—Res. . . . .                 | 644          | 1,902        | 156          |
| —Nonres. . . . .                            | 0            | 0            | 34           | —Nonres. . . . .                          | 0            | 711          | 0            |
| Deposits (\$) (3 of 3 banks)                | 108,857      | 108,121      | 101,210      | Deposits (\$) (3 of 3 banks)              | 156,571      | 155,269      | 127,698      |
| <b>COLORADO SPRINGS (1982 pop. 230,553)</b> |              |              |              | <b>GRAND JUNCTION (1982 pop. 32,082)</b>  |              |              |              |
| Electric Power (kwh) . . . .                | 162,267      | 153,704      | 154,701      | Electric Power (kwh) . . . .              | 20,713       | 18,671       | 19,243       |
| Constr. (\$)—Res. . . . .                   | 23,301       | 31,358       | 12,298       | Constr. (\$)—Res. . . . .                 | 320          | 250          | 208          |
| —Nonres. . . . .                            | 6,031        | 13,019       | 7,903        | —Nonres. . . . .                          | 116          | 2,229        | 3,067        |
| Deposits (\$) (17 of 20 banks)              | 1,034,819    | 1,022,599    | 894,645      | Deposits (\$) (5 of 5 banks)              | 338,778      | 345,624      | 347,038      |
| <b>COMMERCE CITY (1982 pop. 16,412)</b>     |              |              |              | <b>GREELEY (1982 pop. 54,063)</b>         |              |              |              |
| Electric Power (kwh) . . . .                | 31,613       | 33,359       | 27,587       | Electric Power (kwh) . . . .              | 28,468       | 25,691       | 24,246       |
| Constr. (\$)—Res. . . . .                   | 339          | 55           | 40           | Constr. (\$)—Res. . . . .                 | 1,087        | 1,427        | 153          |
| —Nonres. . . . .                            | 340          | 100          | 5,382        | —Nonres. . . . .                          | 2,172        | 61           | 313          |
| Deposits (\$) (1 of 1 bank)                 | 26,355       | 26,800       | 25,354       | Deposits (\$) (9 of 9 banks)              | 488,870      | 478,495      | 416,686      |
| <b>CORTEZ (1982 pop. 7,489)</b>             |              |              |              | <b>GUNNISON (1982 pop. 6,031)</b>         |              |              |              |
| Electric Power (kwh) . . . .                | 3,429        | 3,347        | 3,178        | Electric Power (kwh) . . . .              | 3,259        | 3,043        | 3,119        |
| Constr. (\$)—Res. . . . .                   | 112          | 0            | 101          | Constr. (\$)—Res. . . . .                 | 0            | 0            | 65           |
| —Nonres. . . . .                            | 0            | 215          | 27           | —Nonres. . . . .                          | 0            | 36           | 636          |
| Deposits (\$) (3 of 3 banks)                | 93,148       | 91,448       | 78,217       | Deposits (\$) (2 of 2 banks)              | 48,489       | 47,776       | 43,292       |
| <b>CRAIG (1982 pop. 10,000)</b>             |              |              |              | <b>LA JUNTA (1982 pop. 8,338)</b>         |              |              |              |
| Electric Power (kwh) . . . .                | 3,897        | 4,015        | 4,681        | Electric Power (kwh) . . . .              | 5,680        | 4,670        | 5,309        |
| Constr. (\$)—Res. . . . .                   | 0            | 88           | 0            | Constr. (\$)—Res. . . . .                 | 0            | 0            | 62           |
| —Nonres. . . . .                            | 0            | 0            | 0            | —Nonres. . . . .                          | 0            | 0            | 196          |
| Deposits (\$) (2 of 2 banks)                | 62,342       | 61,902       | 69,611       | Deposits (\$) (2 of 2 banks)              | 55,583       | 53,546       | 45,688       |

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# LOCAL BUSINESS CONDITIONS—Continued

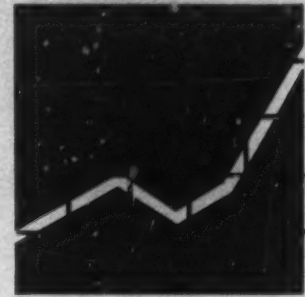
|                                               | July<br>1983 | June<br>1983 | July<br>1982 |                                       | July<br>1983 | June<br>1983 | July<br>1982 |
|-----------------------------------------------|--------------|--------------|--------------|---------------------------------------|--------------|--------------|--------------|
| <b>LAFAYETTE (1982 pop. 10,115)</b>           |              |              |              | <b>ROCKY FORD (1982 pop. 4,574)</b>   |              |              |              |
| Electric Power (kwh) . . . .                  | 2,637        | 2,558        | 2,297        | Electric Power (kwh) . . . .          | 5,928        | 4,853        | 5,514        |
| Constr. (\$)—Res. . . . .                     | 857          | 641          | 324          | Constr. (\$)—Res. . . . .             | 0            | 0            | 97           |
| —Nonres. . . . .                              | 18           | 0            | 298          | —Nonres. . . . .                      | 0            | 11           | 0            |
| Deposits (\$) (1 of 1 bank)                   | 16,851       | 16,874       | 15,547       | Deposits (\$) (1 of 2 banks)          | 14,241       | 13,587       | 13,939       |
| <b>LAKEWOOD (1982 pop. 117,436)</b>           |              |              |              | <b>SALIDA (1982 pop. 4,478)</b>       |              |              |              |
| Electric Power (kwh) . . . .                  | 57,386       | 59,594       | 52,170       | Electric Power (kwh) . . . .          | 1,383        | 1,568        | 1,533        |
| Constr. (\$)—Res. . . . .                     | 3,845        | 7,283        | 8,947        | Constr. (\$)—Res. . . . .             | 0            | 0            | 0            |
| —Nonres. . . . .                              | 715          | 160          | 12,399       | —Nonres. . . . .                      | 0            | 0            | 0            |
| Deposits (\$) (12 of 12 banks)                | 580,218      | 583,599      | 492,329      | Deposits (\$) (2 of 2 banks)          | 40,461       | 43,634       | 42,870       |
| <b>LAMAR (1982 pop. 7,793)</b>                |              |              |              | <b>STERLING (1982 pop. 11,470)</b>    |              |              |              |
| Electric Power (kwh) . . . .                  | n.r.         | 5,280        | 6,846        | Electric Power (kwh) . . . .          | 6,300        | 5,344        | 6,072        |
| Constr. (\$)—Res. . . . .                     | 84           | 153r         | 66           | Constr. (\$)—Res. . . . .             | 0            | 53           | 856          |
| —Nonres. . . . .                              | 38           | 55r          | 350          | —Nonres. . . . .                      | 0            | 771          | 0            |
| Deposits (\$) (2 of 2 banks)                  | 82,137       | 82,356       | 67,927       | Deposits (\$) (3 of 3 banks)          | 143,524      | 146,019      | 134,232      |
| <b>LITTLETON (1982 pop. 30,001)</b>           |              |              |              | <b>THORNTON (1982 pop. 44,130)</b>    |              |              |              |
| Electric Power (kwh) . . . .                  | 16,879       | 15,896       | 13,709       | Electric Power (kwh) . . . .          | 15,907       | 15,856       | 15,248       |
| Constr. (\$)—Res. . . . .                     | 3,853        | 3,934        | 1,821        | Constr. (\$)—Res. . . . .             | 2,460        | 2,642        | 877          |
| —Nonres. . . . .                              | 280          | 364          | 74           | —Nonres. . . . .                      | 1,293        | 1,250        | 0            |
| Deposits (\$) (9 of 11 banks)                 | 240,524      | 233,058      | 187,999      | Deposits (\$) (1 of 1 bank)           | 27,381       | 26,744       | 23,589       |
| <b>LONGMONT (1982 pop. 46,313)</b>            |              |              |              | <b>TRINIDAD (1982 pop. 9,900)</b>     |              |              |              |
| Electric Power (kwh) . . . .                  | 22,806       | 21,512       | 17,791       | Electric Power (kwh) . . . .          | 2,866        | 2,727        | 2,862        |
| Constr. (\$)—Res. . . . .                     | 2,719        | 3,770        | 2,359        | Constr. (\$)—Res. . . . .             | 0            | 0            | 0            |
| —Nonres. . . . .                              | 424          | 1,720        | 85           | —Nonres. . . . .                      | 0            | 0            | 0            |
| Deposits (\$) (5 of 5 banks)                  | 206,691      | 209,056      | 174,462      | Deposits (\$) (2 of 2 banks)          | 57,137       | 55,890       | 52,891       |
| <b>LOUISVILLE (1982 pop. 6,067)</b>           |              |              |              | <b>WESTMINSTER (1982 pop. 54,995)</b> |              |              |              |
| Electric Power (kwh) . . . .                  | 9,859        | 10,061       | 8,434        | Electric Power (kwh) . . . .          | 20,119       | 23,786       | 22,738       |
| Constr. (\$)—Res. . . . .                     | 5,846        | 6,417        | 1,947        | Constr. (\$)—Res. . . . .             | 9,402        | 5,430        | 2,603        |
| —Nonres. . . . .                              | 0            | 0            | 0            | —Nonres. . . . .                      | 500          | 4,200        | 1,045        |
| Deposits (\$) (2 of 2 banks)                  | 26,914       | 25,526       | 18,164       | Deposits (\$) (3 of 3 banks)          | 100,717      | 98,993       | 85,117       |
| <b>LOVELAND (1982 pop. 30,962)</b>            |              |              |              | <b>WHEAT RIDGE (1982 pop. 31,743)</b> |              |              |              |
| Electric Power (kwh) . . . .                  | 22,208       | 20,105       | 17,596       | Electric Power (kwh) . . . .          | 24,038       | 21,342       | 19,577       |
| Constr. (\$)—Res. . . . .                     | 3,219        | 1,638        | 636          | Constr. (\$)—Res. . . . .             | 1,167        | 1,316        | 210          |
| —Nonres. . . . .                              | 603          | 125          | 0            | —Nonres. . . . .                      | 273          | 3,832        | 0            |
| Deposits (\$) (4 of 4 banks)                  | 150,252      | 148,285      | 130,767      | Deposits (\$) (2 of 2 banks)          | 90,917       | 91,697       | 71,081       |
| <b>MONTROSE (1982 pop. 8,895)<sup>b</sup></b> |              |              |              |                                       |              |              |              |
| Constr. (\$)—Res. . . . .                     | 318          | 197          | 139          |                                       |              |              |              |
| —Nonres. . . . .                              | 34           | 180          | 0            |                                       |              |              |              |
| Deposits (\$) (3 of 3 banks)                  | 110,788      | 108,581      | 101,397      |                                       |              |              |              |
| <b>NORTHGLENN (1982 pop. 30,980)</b>          |              |              |              |                                       |              |              |              |
| Electric Power (kwh) . . . .                  | 10,897       | 9,924        | 9,547        |                                       |              |              |              |
| Constr. (\$)—Res. . . . .                     | 0            | 0            | 999          |                                       |              |              |              |
| —Nonres. . . . .                              | 3,948        | 741          | 371          |                                       |              |              |              |
| Deposits (\$) (2 of 3 banks)                  | 71,341       | 68,825       | 57,253       |                                       |              |              |              |
| <b>PUEBLO (1982 pop. 99,619)</b>              |              |              |              |                                       |              |              |              |
| Electric Power (kwh) . . . .                  | 51,403       | 45,676       | 49,573       |                                       |              |              |              |
| Constr. (\$)—Res. . . . .                     | 493          | 435          | 102          |                                       |              |              |              |
| —Nonres. . . . .                              | 206          | 1,095        | 113          |                                       |              |              |              |
| Deposits (\$) (8 of 9 banks)                  | 394,226      | 393,570      | 356,645      |                                       |              |              |              |

<sup>a</sup>Regional figures.

<sup>b</sup>Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.  
Construction figures are valuation of new residential and nonresidential construction only.  
Deposit figures are total deposits in commercial banks as of last day of month.  
n.r.—not reported  
\*—preliminary data  
r—revised data





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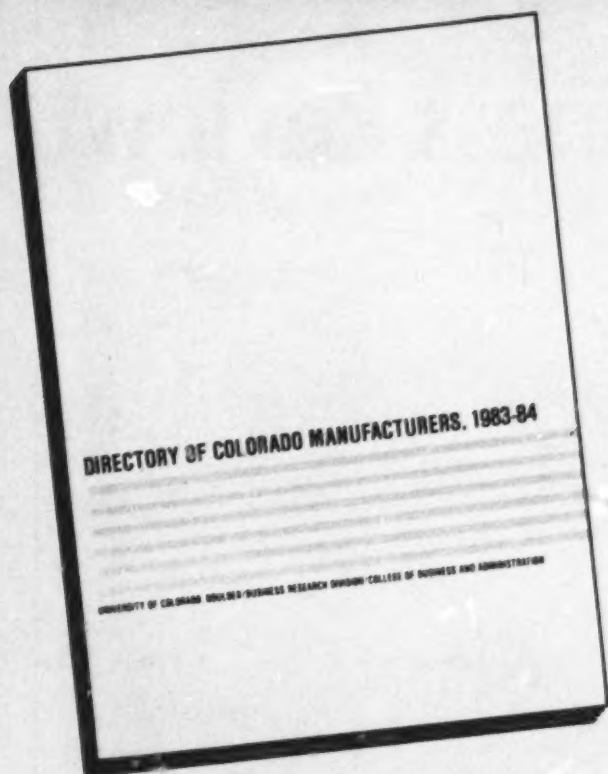
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# Nineteenth Annual Colorado Business/Economic Outlook Forum

Gerald L. Allen

*Editors's Note: This article presents a summary of the Nineteenth Annual Colorado Business/Economic Outlook Forum, jointly sponsored by the University of Colorado, College of Business and Administration; the Division of Commerce and Development, Colorado Department of Local Affairs; and the Denver Chamber of Commerce, which took place December 12, 1983, at the Brown Palace Hotel in Denver. To give credit to all those business and government leaders whose efforts made the forum a reality would be too lengthy an undertaking, but special mention should be accorded to forum narrators John F. Chandler, Vice President of Public Affairs, Colorado Interstate Gas Co., Colorado Springs; Donald L. Stevens, Resident Dean and Professor of Finance, College of Business and Administration, University of Colorado, Denver; and to forum director, Gerald L. Allen, Research Economist, Business Research Division, University of Colorado.*

Planning for the Outlook Forum began in September when more than 60 business, education, and government leaders were invited to participate. Members were split into 13 groups, each one representing a major economic sector. Forecasts were prepared using an extrapolation of historical trends and these were modified by several factors: (1) extensive field survey work was done through telephone contacts with key Colorado business and industry leaders for their expectations, (2) the expert knowledge and judgment of committee members was considered, and (3) known or expected economic changes affecting certain industry sectors within the state were introduced.

## U.S. ECONOMIC OUTLOOK

The U.S. economic recovery was one year old in November 1983. The initial pickup in economic activity was led by increased consumer spending on autos and housing and has spread to other industries. Following two years of inventory liquidation, firms are beginning to rebuild their inventories.

Gross National Product (GNP), in constant dollars increased 3.2% in 1983. The U.S. unemployment rate declined from its peak of 10.8% in 1982 to a rate of 8.4% in 1983. The consensus is that real GNP will gain 4.0% in 1984. Consumer inflation is estimated to remain in the single digit area, about 5.0%, through 1984. Unemployment will continue to remain relatively high at 8.7% in 1984.

The federal deficit along with the Federal Reserve's policy on monetary control, could place upward pressure on interest rates, and affect the nature of this economic recovery.

## REVIEW OF 1983

Before turning to projections for 1984, a brief review of 1983 will provide the foundation. Substantial gains were made in 1983 as the state's economy recovered from the effect of the past recession.

The effects of this recession were most visible in the state's mining, manufacturing, and transportation sectors. Offsetting these weaknesses in the Colorado economy has been continued growth in the services, trade, communications, finance, construction and government sectors. Total nonagricultural wage and salary employment recorded a moderate increase of 21,400 jobs in 1983. This is about

80% of the 25,700 increase projected by the Forum committee in 1982.

## POPULATION, LABOR FORCE AND PERSONAL INCOME

The performance of the Colorado economy is directly related to the composition of its population and labor force. The United States population growth rate averaged less than 1.0% a year during the 1980s. Colorado's population growth has far exceeded the national rate during the past two decades and is expected to reach 3.2 million in 1984, an increase of 2.5%.

Colorado's labor force is projected to reach 1.7 million in 1984, a growth of 3.2%. Total employment will rise 4.6% to a new high of 1,581,000, an increase of 70,000 over 1983. The number of persons unemployed in 1984 will decline by 17,000 to 105,000. Colorado's unemployment rate will drop to 6.2% in 1984, considerably below the projected national rate of 8.7%.

An additional important determinant of a healthy economy is potential purchasing power. U.S. total personal income will increase 8.9% in current dollars in 1984. Gains in Colorado's personal income over the past decade have been above the national average and its increase is expected to be larger again in 1984 with a growth rate of 10.4%. Colorado's total personal income will increase by \$4.2 billion in 1984 to a new total of \$44.6 billion. Per capita income in Colorado should reach \$13,961 in 1984.

## AGRICULTURE

A significant portion of Colorado's primary income originates in the agricultural sector. The State's crop and livestock output provides the raw materials for a number of major Colorado industries, as well as national and international markets. Colorado's agriculture will continue to be plagued by lower receipts and net income in 1984.

Cash receipts from farming and ranching rose about 2.5% in 1983, and are projected to decline slightly in 1984. Livestock receipts for 1984 are projected to remain stable in 1983, but lower grain prices will cause a drop in crop receipts for 1984.

Government payments rose 45% in 1983, but a 70% drop is projected for 1984. This reflects a lower participation rate in government programs by farmers, as well as



changes in government policy. The federal government's Payment-In-Kind (PIK) program is not reflected as a cash payment to farmers under government payments because farmers received program payments in grain, and such payments are treated as crops produced. Unusually favorable growing conditions in Colorado in 1983 caused a record production of wheat despite the elimination of more than one-quarter of the acres through the PIK program.

Adding non-money income, which is made up of farm products consumed on the farm plus the value of housing provided by farm dwellings, to the total cash receipts results in realized gross farm income. Farm production expenses rose in 1983 but they are expected to decline slightly in 1984. The projected realized net farm income for 1984, of \$294 million, is the lowest since 1981.

The meaning of this rather pessimistic outlook is quite clear. Colorado's agriculture is not sharing in the general upturn of the economic cycle to the extent that other sectors have participated.

### MINING

The mineral industry and its related supportive activities play a vital role in the economies of the rural areas of Colorado. The mining sector experienced a substantial decline in employment with a 10.6% decrease in 1983 and only a small positive change of 1.3% is expected in 1984. Production value of metals in 1984 is expected to be at its lowest level in over a decade.

Employment in mining has declined since peaking in 1981. An increase of only 500 jobs is expected in 1984, which will bring total mining employment to 39,300, still 4,100 jobs below its 1981-1982 high.

The largest concentration of mining employment in Colorado was in petroleum and natural gas in 1983 with a

total of 28,800 jobs. Employment in petroleum and gas will increase by 200 in 1984 to a total of 29,000. Employment in metals mining will only rise by 300 in 1984 primarily due to the reopening of AMAX's Henderson mine and mill as other metal producers' employment will remain weak. Employment in the bituminous coal and non-metals industry will provide 4,500 jobs in 1984, the same as in 1983.

Coal production will remain level in 1984 with a projected total of 16 million tons. Crude oil production will increase slightly in 1984 with 30 million barrels being projected. Natural gas production is expected to increase about 2% in 1984 due to low development cost. Total natural gas production is projected to reach 190 billion cubic feet in 1984.

The outlook for Colorado's petroleum industry remains optimistic, but any turnaround in the mining industry is expected to lag behind the recovery in the rest of Colorado's economy.

### MANUFACTURING

Colorado's manufacturing sector continues to grow as total manufacturing employment had a growth rate of 29% from 1976 to 1981. Output of Colorado manufacturing firms is heavily weighted towards business use as opposed to being used by consumers. This implies a lag in employment growth during cyclical recoveries. As capital spending expands during the recovery, Colorado manufacturing can look forward to added expansion and being a major stimulus to the Colorado economy in 1984.

Total manufacturing employment for 1984 is projected to grow 4.5% to a total of 189,000, an increase of 8,100 jobs. The greatest employment impact during 1984 is expected in durables goods manufacturing. Following a

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decline of over 2% in the level of durables employment during 1983, growth of over 6% is forecasted for 1984. Nondurables goods manufacturing employment is expected to experience a minor increase of less than 2% in 1984.

Employers in food and kindred products reported a loss of 200 jobs or 2% during 1983. The outlook for 1984 is for continued decreases in employment.

The printing and publishing industry continues to exhibit steady growth, adding 1,100 jobs, or 6.1% during 1983. Growth for 1984 will approach 6.6% or 1,300 new jobs distributed among publishers and specialty printers. The paper and allied products industry should witness minimal growth as synthetic materials are replacing many applications of natural fibers.

Chemicals and allied products added some 300 new jobs during 1983. Most firms in this industry category anticipate no significant employment increases for 1984. Rockwell is an exception and anticipates employment gains for 1984.

Though lumber and wood products, including furniture, added a modest 200 jobs in 1983, the industry is still plagued by the interest rate sensitivity of housing starts. Most firms see no significant change in the marketplace for 1984. Some optimism, however, was expressed by those firms producing quality products. These firms felt their growth was due to the nature of their product and local marketing efforts rather than any rebound in the national economy.

The stone, clay, and glass industry posted the second largest employment decline for 1983, -9.6%, or some 800 jobs. Expectations over the forecast period depend on the level of mortgage interest rates. If rates improve or stabilize then an improvement in this area could result.

Primary metals lost 2,100 jobs during 1983. Since 1981 this represents a loss of some 5,500 jobs. Primary and fabricated metals could witness a strong rebound as the national recovery takes hold in Colorado.

Nonelectrical machinery remains Colorado's largest manufacturing industry. This sector includes much of the state's high-tech companies. Employment growth during 1983 was moderate, but it is expected that some 2,200 jobs could be added during 1984. Although some instability remains in the computer hard and software industry, Colorado's high-tech firms should do well in 1984.

The electrical equipment industry experienced a 600 job increase during 1983. Though most companies anticipate moderate growth for 1983, the Bell divestiture clouds the picture for Western Electric, the segment's largest employer. Employment gains of 8.5% are expected for 1984.

Growth in the transportation equipment companies continues at moderate rates. While 500 jobs were lost during 1983, the outlook for 1984 is for 600 more jobs.

Value added is the amount of total manufacturing output minus materials, parts, and auxiliary equipment purchased from others. In 1984, Colorado's value added will increase by 3.7% to a total of \$7.7 billion.

### CONSTRUCTION

The increased construction activity in Colorado during 1983 was provided by both residential and nonresidential construction. Nonresidential building in Colorado will finish 1983 with a 25.4% increase over 1982. Residential

construction will record a 16.2% increase for 1983. The building construction growth trend should continue in 1984.

There were 83,500 workers employed in Colorado's construction sector in 1983. An increase of 1,000 jobs is projected for 1984.

In 1984 the total value of construction in Colorado will rise to \$4.9 billion. This is an increase of 5.5%. The value of residential construction statewide is estimated to be over \$2.0 billion in 1984. With the stabilization of interest rates and the pent-up demand for housing, the state is estimated to have building permits for over 50,000 housing units in 1984. Nonresidential building will rise slightly in 1984 and will total nearly \$2.1 billion. An increase of 8% is projected in nonbuilding construction for 1984, bringing the total to \$843 million. Additional construction is expected for highways and community public facilities.

The improved outlook for housing should offset any job losses that may occur in nonresidential construction.

### TRANSPORTATION, COMMUNICATIONS AND PUBLIC UTILITIES

The transportation, communications and public utilities industries as a group are quite diverse. These industries provide a service to commercial, industrial and consumer markets.

With the continued deregulation of the transportation and communications sectors, adjustments in employment were necessary. Employment dropped 2.3% in 1983. Employment growth of less than 1% is projected for 1984. Transportation services account for over half of the jobs in this group and only 100 jobs are projected to be added in 1984.

The communications industry is now much more competitive. With the divestiture of Mountain Bell from the AT&T system scheduled for January 1, 1984, new rules will govern the daily operations of all firms in the communications industry. The number of jobs in communications is expected to expand by 400 in 1984 to a total of 27,400, still below its 1982 level of 28,100.

Residential construction is an important determinant of new customer growth in the communications and public utilities groups. Since housing is expected to continue growing, public utilities employment will return to its 1982 level of 13,200.

Air freight dropped slightly in 1983 to 319.0 million pounds, while air passenger traffic rose by 19% to 28.1 million. In 1984, air freight will rise slightly to 321.4 million pounds and airline passengers will be up 10% to 30.9 million. The following factors will contribute to this growth: (1) the rate wars and low fare airlines will divert motorists to air and encourage non-travelers to fly, (2) the area's increasing population will induce more air passenger traffic, (3) economic recovery will result in more business travel, (4) increasing tourism, especially skiers, will increase the total of air passenger traffic. Truck registrations will increase nearly 4% in 1984.

Overall, a 3.2% increase in electric power consumption was recorded for 1983. In 1984 the rate of increase in total electric power consumption will rise by 5.5%. Price-induced conservation and switching of fuels will be factors that will contribute to a reduction of 3.5% in natural



gas sales for 1984. Natural gas consumption will total 195 billion cubic feet.

#### **FINANCE, INSURANCE AND REAL ESTATE**

The continued deregulation of the financial services industry is raising the cost of funds to depository institutions, narrowing interest margins, and forcing these institutions to maintain rigid control of non-interest expense. Particular attention is being paid to limiting employment growth to avoid escalation of salaries and benefits. This is reinforced by a changing distribution system, which relies more on automation and less on people.

The finance, insurance, and real estate sector continued to out-perform the overall economy in terms of employment gains in 1983, expanding by 4.7%. Financial employment will increase 3.8% or 3,300 new jobs in 1984 to a total of 89,500.

Within the sector, employment growth followed divergent trends. Commercial banking, which comprises one-quarter of the sector's jobs, showed approximately a 1% employment decline in 1983. Insurance employment, which constitutes another one-quarter of the sector's jobs, grew by 2% in 1983. Both commercial banks and insurance companies will keep a tight cap on employment growth in 1984, adding only 700 new jobs.

The large real estate sector added about 5% to its employment base in 1983. Mortgage rates in the 12-13% range will continue to depress the residential real estate market. There continues to be a two to three year supply of office space in the Denver Metropolitan Area, the result of a collapse in demand due to the decline in energy prices. Real estate will add 1,200 new jobs, an increase of 5.3% in 1984.

The most expansive sector was Other Finance (primarily security and commodity brokers and dealers, investment companies and credit agencies), which exploded with nearly 9% job growth in 1983. The sector entitled other finance employment will advance by 1,400 to a total of 23,000 employees in 1984.

Commercial bank deposits have grown substantially and steadily over the years. These deposits are expected to increase to \$20.2 billion in 1984 as the high cost of funds, coupled with only moderate loan growth, discourage aggressive competition for additional dollars. Savings and loan deposits will grow to \$11 billion. Deposit generation is dependent on attractive opportunities to invest these funds, a problem in a high rate environment when it is difficult for potential home buyers to qualify for mortgages. Credit unions will continue to increase their share of funds and will have over \$2 billion in deposits in 1984. Deposits in industrial banks are estimated to reach \$425 million in 1984.

The most interesting question facing financial institutions in 1984 is how they will deal with the pressure on profit margins which has followed the deregulation of virtually all types of deposits. No-interest checking accounts and 5½% regular savings accounts continue to decline as more low balance alternatives paying market rates become available. Savings and loans are closing branches and relying on increased automation. In the short run automation does not reduce staff, but this should be the ultimate result. Commercial banks are attempting to increase productivity, expanding their customer base

without adding additional employees. Attempts are also being made to identify the costs associated with each service provided and to charge the customer accordingly. Insurance companies are also facing enormous pressure to keep expenses down and will benefit from a labor pool looking for jobs in their sector.

#### **TRADE**

The trade group accounts for the largest segment of Colorado's employment. Activity in retail and wholesale trade depends upon general levels of incomes and spending rates, but is not overly sensitive to year-to-year changes in general employment levels. There has been a smooth, almost uninterrupted upward trend in employment in the trade sector since 1974 to a total of 345,400 in 1984.

Over three-fourths of the trade employment is in the retail area. Total retail employment will reach 261,200 in 1984, a gain of 12,400 persons.

The state has a substantial concentration of wholesale and distribution activities. Wholesale employment is expected to increase nearly 4% (3,100 jobs) in 1984, rising to 84,200 employees.

A number of factors will determine the performance of trade in 1984. With the short-term outlook for consumer spending being favorable, retail establishments will require more staff to handle any increase in sales volumes. Additional gains in housing starts should increase the demand for appliances and home furnishings in 1984.

Substantial increases are expected in retail sales. The 1983 Thanksgiving blizzard impeded some early retail sales; however, these losses should be made up through aggressive advertising and increased holiday sales. Only a repeat of the Christmas Eve blizzard of 1982 would prevent Christmas 1983 from being the most productive in several years. Retail sales will expand by 9% in 1983 reaching \$21.6 billion. An additional gain of 13% is expected in 1984, with retail sales gaining \$2.8 billion to total \$24.4 billion.

#### **SERVICES**

A decade ago, 19% of Colorado's nonagricultural wage and salary employment was in the service industries. Today, the services sector's share has risen to 22% of wage and salary employment.

In total, service employment is forecast to gain 12,200 jobs to a total of 301,300 in 1984, a growth rate of 4.2% over 1983's total of 289,100. Employment trends by different sectors within services, however, will exhibit variations from the overall 1984 growth rate.

Miscellaneous professional services and all others is broad in nature and includes personal services; automobile repair services; miscellaneous repair services; amusements and recreation services, including motion pictures; educational services; membership organizations; miscellaneous services; social services; and legal services. In 1983, the other services category accounted for 41% of total services employment, or 133,400 persons. In 1984, this category is expected to grow 4.0% to a total employment of 138,700 persons.

Health services in 1984 are expected to increase at a 2% growth rate to a total of 75,700, under the 3.1% growth achieved in 1983. This industry's slow employment expansion is seen as the result of the number of physicians and dentists in the state increasing only slightly, while the



number of nurses remains stable. Hospitals primarily will be hiring additional medical records and data processing personnel. Major impact of government cutbacks in funding of health programs and efforts to control federal health care expenditures such as raising the Medicare deductible, the Prospective Pricing System, and tighter peer review will be felt in 1984. As hospital occupancy rates continue to decline, the ratio of employees to patient days will increase somewhat, but total employment will not change noticeably. Major gains in jobs in health care will be in areas other than direct patient care.

Following only minimal growth in 1982, employment in business services showed substantial gains in 1983, which should continue into 1984. Buoyed by recovery, business services such as advertising, photocopy, personnel, building maintenance, and data processing, are experiencing increased demand. As a result, employment in the business services category increased 5.5% in 1983 and, with continued expansion of the state's economy, should achieve a 7.5% growth in 1984 for a total of 59,600.

The lodging industry is expected to grow 4.6% in 1984 by adding 1,200 jobs for a total of 27,300. This is a small gain over the industry's 1983 performance. The gains are expected to come from the economic recovery in the U.S. and Colorado.

#### **TRAVEL, OUTDOOR RECREATION AND CONVENTIONS**

During the past ten years the travel, outdoor recreation, and conventions industry has ranked alongside manufacturing, mining and agriculture as one of the top four contributors to the state's economy. In 1980 more than 101,000 jobs were directly attributable to travel spending or about 8% of all nonagricultural wage and salary employment in Colorado. The total dollar contribution from all travel (business and tourism), outdoor recreation, and conventions to the Colorado economy in 1984 is projected at \$4.4 billion, or an expected increase of 11% over 1983.

Visits to national parks, monuments, and recreation areas are forecasted to increase 8% for a total of 6.1 million visits in 1984. Visitation to state parks in 1984 will increase by 8.0% for a projected total of 6.8 million visits. Visitation to state historic museums and sites is projected to increase 3.4% in 1984 for a total of 250,000 visitors. Convention visitors will increase 8.3% to 532,000 conventioners. Total visitors to the state will increase 8% in 1984.

Skier spending for the 1984-85 season will increase 10.2%. Convention spending in 1984 will rise 8.3% for a total of \$263 million. Lodging receipts will total \$622 million for a 8.9% increase.

Ski area operators are projecting 8.6 million lift tickets will be sold in 1983-84, an increase of 5.0% over ticket sales in 1982-83. During the 1984-85 season an increase of 4.5% in ticket sales is projected to bring the total to 9.0 million.

The Colorado ski industry pumped more than \$37 million in capital improvements into its areas in 1983. This includes \$7.5 million for new and upgraded lifts, \$6 million for new trails, and \$23.5 million for new or expanded facilities. Ten new lifts and 580 acres of new skiing were added. Snowmaking equipment now covers 2,788 acres of terrain in Colorado, insuring a good base and extended season.

#### **GOVERNMENT**

In 1983 government employment at all levels grew for the first time in three years. Employment gains should continue into 1984 as state and local government revenues recover to relieve some of the budgetary pressures of the last two years. The state's recovery, combined with a stabilized federal budget, should push government employment from 241,100 in 1983 to 246,000 in 1984.

The state's financial woes which started in fiscal year 1982-83 continued to exist into fiscal year 1983-84. These budgetary problems resulted in two separate tax/budget packages being adopted to stem projected deficits. These financial measures combined with a delayed recovery in tax revenues allowed state government employment to grow only 0.5% in 1983. As state revenues rebound in 1984, state employment should move to its highest level since 1980 reaching 57,500 workers.

As federal aid to local government stabilizes and the economic recovery continues, demand for local government services will increase. This pushed local government employment up 1,600 to 133,200 in 1983 and will create an additional 2,900 jobs in 1984 for a total of 136,100.

Due to a stabilized federal budget, federal government employment in Colorado should grow from 52,000 in 1983 to 52,400 in 1984, an increase of less than 1%.

#### **INTERNATIONAL TRADE**

The world-wide recession has had a significant impact on international sales. The depressed overseas demand, coupled with the stronger dollar, has had the largest impact on the agricultural market. Total Colorado export sales dropped to under \$2 billion in 1983, but are projected to increase to \$2.1 billion in 1984. Agricultural sales slid from a high of \$801 million in 1981 to a low of \$540 million in 1983. In 1984 a very small growth is projected with sales of \$556 million. The export of manufactured goods decreased slightly in 1983, but should rebound in 1984 to an all-time high of \$1.5 billion in sales. The overall growth in jobs attributed to exports will increase 4.5% in 1984 for a total of 55,720 jobs.

The overall outlook in manufacturing and agriculture exports for 1984 is the beginning of a period of conservative growth which should produce additional sales and jobs.

#### **SUMMARY**

Colorado enjoyed a growing economy during the period 1973 to 1982. The Forum committee estimates 21,400 new nonagricultural wage and salary jobs are being added in 1983. Employment growth is projected to be strong during 1984.

Trade will have the largest increase with 15,500 jobs in 1984 and that is considerably above the average growth from 1973-1982 of 11,400 a year. In second place is services with 12,200 jobs; this compares with the average 10-year growth rate of 12,500. Manufacturing is third with 8,100 additional jobs, which is over 55% higher than the average annual growth for the 10-year period. Overall, the committee is anticipating a good year with 46,200 new nonagricultural wage and salary jobs being projected for 1984. This is slightly above the average annual increase of 45,080 new jobs for the period of 1973-1982. Signs of the past recession will remain for a time in a few of the sectors, but there is sufficient room for growth beyond the committee's projections assuming that the recovery is not short-circuited by such factors as increasing inflation, financing of the federal deficit, or tight monetary policies.

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**COLORADO BUSINESS INDICATORS**  
(Figures in Thousands Unless Otherwise Indicated)

|                                                                           | August<br>1983 | July<br>1983 | August<br>1982 | Percent Change<br>August 1983 from |                |
|---------------------------------------------------------------------------|----------------|--------------|----------------|------------------------------------|----------------|
|                                                                           |                |              |                | July<br>1983                       | August<br>1982 |
| Total Civilian Labor Force (by place of residence) <sup>a</sup> . . . . . | 1,667.6        | 1,665.1      | 1,593.0        | 0.2                                | 4.7            |
| Unemployment . . . . .                                                    | 107.8          | 111.9        | 124.2          | - 3.7                              | -13.2          |
| Unemployment Rate (percent) . . . . .                                     | 6.5            | 6.7          | 7.8            | —                                  | —              |
| Employment . . . . .                                                      | 1,559.8        | 1,553.2      | 1,468.8        | 0.4                                | 6.2            |
| Nonagricultural Wage and Salary . . . . .                                 | 1,512.6        | 1,502.9      | 1,421.0        | 0.6                                | 6.4            |
| Agricultural . . . . .                                                    | 47.2           | 50.3         | 47.8           | - 6.2                              | - 1.3          |
| <hr/>                                                                     |                |              |                |                                    |                |
| Total Nonagricultural Wage and Salary                                     |                |              |                |                                    |                |
| Employment (by place of work) <sup>a</sup> . . . . .                      | 1,330.1        | 1,332.9      | 1,306.4        | - 0.2                              | 1.8            |
| Mining . . . . .                                                          | 40.2           | 39.9         | 43.9           | 0.8                                | - 8.4          |
| Metallic Minerals . . . . .                                               | 6.1            | 5.9          | 9.2            | 3.4                                | - 33.7         |
| Bituminous Coal, Lignite, and Nonmetallic . . . . .                       | 4.6            | 4.6          | 5.0            | 0.0                                | - 8.0          |
| Oil and Gas Extraction . . . . .                                          | 29.5           | 29.4         | 29.7           | 0.3                                | - 0.7          |
| Contract Construction . . . . .                                           | 90.3           | 88.3         | 83.2           | 2.3                                | 8.5            |
| Manufacturing . . . . .                                                   | 181.9          | 181.1        | 182.2          | 0.4                                | - 0.2          |
| Lumber, Wood Products, and Furniture . . . . .                            | 7.0            | 7.1          | 6.5            | - 1.4                              | 7.7            |
| Stone, Clay, Glass, and Concrete Products . . . . .                       | 9.9            | 9.7          | 10.4           | 2.1                                | - 4.8          |
| Primary and Fabricated Metals . . . . .                                   | 14.1           | 14.2         | 15.6           | - 0.7                              | - 9.6          |
| Machinery, Except Electrical . . . . .                                    | 26.0           | 25.6         | 25.6           | 1.6                                | 1.6            |
| Electric and Electronic Equipment . . . . .                               | 17.3           | 17.6         | 17.0           | - 1.7                              | 1.8            |
| Transportation Equipment . . . . .                                        | 13.6           | 13.6         | 14.3           | 0.0                                | - 4.9          |
| Other Durable Goods . . . . .                                             | 28.2           | 28.0         | 28.1           | 0.7                                | 0.4            |
| Food and Kindred Products . . . . .                                       | 24.6           | 24.2         | 24.7           | 1.7                                | - 0.4          |
| Textiles and Apparel . . . . .                                            | 3.3            | 3.3          | 3.2            | 0.0                                | 3.1            |
| Paper and Allied Products . . . . .                                       | 2.0            | 2.0          | 2.0            | 0.0                                | 0.0            |
| Printing and Publishing . . . . .                                         | 19.1           | 19.0         | 18.6           | 0.5                                | 2.7            |
| Chemicals and Allied Products . . . . .                                   | 7.9            | 7.9          | 7.6            | 0.0                                | 3.9            |
| Other Nondurable Goods . . . . .                                          | 8.9            | 8.7          | 8.7            | 2.3                                | 2.3            |
| Finance, Insurance, and Real Estate . . . . .                             | 87.2           | 86.9         | 84.2           | 0.3                                | 3.6            |
| Banking . . . . .                                                         | 21.1           | 21.2         | 21.6           | - 0.5                              | - 2.3          |
| Credit Agencies Other than Banks . . . . .                                | 13.3           | 13.4         | 12.8           | - 0.7                              | 3.9            |
| Insurance Carriers, Agents, and Brokers . . . . .                         | 20.7           | 20.6         | 20.4           | 0.5                                | 1.5            |
| Real Estate and Combination Offices . . . . .                             | 23.4           | 23.2         | 22.1           | 0.9                                | 5.9            |
| Other Finance, Insurance, and Real Estate . . . . .                       | 8.7            | 8.6          | 7.3            | 1.2                                | 19.2           |
| Transportation and Public Utilities . . . . .                             | 77.2           | 85.2         | 85.9           | - 9.4                              | -10.1          |
| Railroad Transportation . . . . .                                         | 5.7            | 5.7          | 6.0            | 0.0                                | - 5.0          |
| Trucking and Warehousing . . . . .                                        | 16.8           | 16.8         | 17.2           | 0.0                                | - 2.3          |
| Air Transportation . . . . .                                              | 15.5           | 15.4         | 14.2           | 0.5                                | 9.2            |
| Other Transportation . . . . .                                            | 6.5            | 6.5          | 6.7            | 0.0                                | - 3.0          |
| Communications, Electric, Gas, and Sanitary Services . . . . .            | 32.8           | 40.9         | 41.9           | -19.8                              | -21.7          |
| Trade . . . . .                                                           | 330.4          | 329.1        | 322.8          | 0.4                                | 2.4            |
| Wholesale Trade . . . . .                                                 | 81.7           | 81.9         | 81.4           | - 0.2                              | 0.4            |
| Retail Trade . . . . .                                                    | 248.7          | 247.1        | 241.4          | 0.6                                | 3.0            |
| Services . . . . .                                                        | 294.9          | 294.2        | 282.2          | 0.2                                | 4.5            |
| Lodging and Combination Lodging/Eating Places . . . . .                   | 28.4           | 28.2         | 27.1           | 0.7                                | 4.8            |
| Personal Services . . . . .                                               | 15.0           | 15.0         | 14.1           | 0.0                                | 6.4            |
| Business Services . . . . .                                               | 58.0           | 57.7         | 52.1           | 0.5                                | 11.3           |
| Auto and Miscellaneous Repair Services . . . . .                          | 14.8           | 14.6         | 14.1           | 1.4                                | 5.0            |
| Amusements and Recreation . . . . .                                       | 21.0           | 21.0         | 19.3           | 0.0                                | 8.8            |
| Health Services . . . . .                                                 | 73.9           | 73.6         | 72.8           | 0.4                                | 1.5            |
| Educational Services . . . . .                                            | 8.9            | 8.9          | 8.5            | 0.0                                | 4.7            |
| Membership Organizations . . . . .                                        | 20.6           | 20.4         | 20.3           | 1.0                                | 1.5            |
| Other Services . . . . .                                                  | 54.4           | 54.7         | 53.7           | - 0.5                              | 1.3            |
| Government . . . . .                                                      | 228.0          | 228.2        | 222.0          | - 0.1                              | 2.7            |
| Federal . . . . .                                                         | 53.4           | 53.6         | 51.5           | - 0.4                              | 3.7            |
| State . . . . .                                                           | 50.0           | 49.9         | 48.9           | 0.2                                | 2.2            |
| Local . . . . .                                                           | 124.6          | 124.7        | 121.6          | - 0.1                              | 2.5            |



|                                                                                | August<br>1983 | July<br>1983 | August<br>1982 | Percent Change<br>August 1983 from<br>July 1983      August<br>1982 |       |
|--------------------------------------------------------------------------------|----------------|--------------|----------------|---------------------------------------------------------------------|-------|
| <b>Average Weekly Hours</b>                                                    |                |              |                |                                                                     |       |
| Construction . . . . .                                                         | 39.7           | 39.4         | 38.2           | 0.8                                                                 | 3.9   |
| Manufacturing . . . . .                                                        | 40.2           | 39.9         | 39.3           | 0.8                                                                 | 2.3   |
| Durable Goods . . . . .                                                        | 40.6           | 40.1         | 39.8           | 1.2                                                                 | 2.0   |
| Nondurable Goods . . . . .                                                     | 39.6           | 39.5         | 38.5           | 0.3                                                                 | 2.9   |
| <b>Average Weekly Earnings (\$)</b>                                            |                |              |                |                                                                     |       |
| Construction . . . . .                                                         | 529.99         | 527.17       | 510.35         | 0.5                                                                 | 3.8   |
| Manufacturing . . . . .                                                        | 363.01         | 359.50       | 339.16         | 1.0                                                                 | 7.0   |
| Durable Goods . . . . .                                                        | 372.71         | 364.51       | 350.64         | 2.2                                                                 | 6.3   |
| Nondurable Goods . . . . .                                                     | 348.48         | 350.36       | 321.09         | - 0.5                                                               | 8.5   |
| Initial Unemployment Claims (000) . . . . .                                    | n.r.           | 14.1         | 17.5           | —                                                                   | —     |
| Bankruptcies, All Types (number) . . . . .                                     | 567            | 480          | 506            | 18.1                                                                | 12.1  |
| Total State Revenue (\$000) . . . . .                                          | 581,642        | 205,895      | 318,081        | 182.5                                                               | 82.9  |
| Total State Expenditures (\$000) . . . . .                                     | 627,531        | 203,283      | 336,153        | 208.7                                                               | 86.7  |
| Crude Oil Production (thous. bbls.) . . . . .                                  | 2,419          | 2,485        | 2,554r         | - 2.7                                                               | - 5.3 |
| Dry Gas Production (mil. cu. ft.) . . . . .                                    | 8,604          | 8,602        | 12,538r        | 0.0                                                                 | -31.4 |
| Coal Production . . . . .                                                      | 1,632.0        | 923.2        | 1,487.3        | 76.8                                                                | 9.7   |
| New Oil and Gas Wells (number) . . . . .                                       | 202            | 152          | 160            | 32.9                                                                | 26.3  |
| Natural Gas Used (bil. cu. ft.) . . . . .                                      | 5.7            | 5.6          | 7.9            | 1.8                                                                 | -27.8 |
| Electrical Power Sales (mil. kwh)                                              |                |              |                |                                                                     |       |
| Residential . . . . .                                                          | 499.3          | 464.2r       | 474.7          | 7.6                                                                 | 5.2   |
| Nonresidential . . . . .                                                       | 1,251.7        | 1,110.5r     | 1,222.8        | 12.7                                                                | 2.4   |
| <b>New Construction, 122 places</b>                                            |                |              |                |                                                                     |       |
| Residential permits (number) . . . . .                                         | 3,323          | 2,903        | 1,629          | 14.5                                                                | 104.0 |
| Residential value (\$000) . . . . .                                            | 236,889        | 190,956      | 116,698        | 24.1                                                                | 103.0 |
| Nonresidential permits (number) . . . . .                                      | 380            | 328          | 171            | 15.9                                                                | 122.2 |
| Nonresidential value (\$000) . . . . .                                         | 85,405         | 52,569       | 42,300         | 62.5                                                                | 101.9 |
| Highway Contractor Payments (\$000) . . . . .                                  | 12,975         | 11,616       | 12,211         | 11.7                                                                | 6.3   |
| Savings and Loan Net New Savings (\$000) <sup>b</sup> . . . . .                | 49,000         | 112,200      | 0              | -56.3                                                               | —     |
| National Park Recreational Visits—10 Areas (000) <sup>b</sup> . . . . .        | 1,355.5        | 1,204.8      | 1,125.4        | 12.5                                                                | 20.4  |
| Motor Vehicle Title Applications (000) . . . . .                               | 90.3           | 107.7        | 85.6           | -16.2                                                               | 5.5   |
| Highway Vehicle Traffic Counts at Border<br>Stations (daily average) . . . . . | 53,529         | 56,673       | 54,735         | - 5.5                                                               | - 2.2 |
| Air Passengers, Stapleton (000) <sup>c</sup> . . . . .                         | 2,346          | 2,428        | 2,490          | - 3.4                                                               | - 5.8 |
| Air Freight and Air Express, Stapleton (thous. lbs.) . . . . .                 | 29,929         | 29,439       | 26,541         | 1.7                                                                 | 12.8  |
| <b>Prices Received by Farmers (\$)</b>                                         |                |              |                |                                                                     |       |
| Beef Cattle (per cwt) . . . . .                                                | 60.10          | 61.90        | 63.30          | - 2.9                                                               | - 5.1 |
| Lambs (per cwt) . . . . .                                                      | 50.00          | 52.70        | 54.40          | - 5.1                                                               | - 8.1 |
| Wheat (per bu.) . . . . .                                                      | 3.26           | 3.12         | 3.14           | 4.5                                                                 | 3.8   |
| Corn (per bu.) . . . . .                                                       | 3.25           | 3.30         | 2.37           | - 1.5                                                               | 37.1  |
| Potatoes (per cwt) . . . . .                                                   | 5.00           | —            | 6.70r          | —                                                                   | -25.4 |
| Wool . . . . .                                                                 | .48            | .48          | .62r           | 0.0                                                                 | -22.6 |

NOTES: An asterisk (\*) indicates preliminary data subject to revision.  
Revised data are marked (r).  
n.r.—not reported.

<sup>a</sup>Employment figures have been updated to a December 1981 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a March 1981 benchmark. Thus, these data are not comparable to that published prior.

<sup>b</sup>New series, thus figures are not comparable to those previously published.

<sup>c</sup>Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Referee in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from 17 individual companies.

New Construction from Bureau of the Census, U.S. Department of Commerce.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

Recreational Visits from National Park Service, Denver.

Highway Traffic counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.

**LOCAL BUSINESS CONDITIONS**  
(All Figures in Thousands)

|                                             | August<br>1983 | July<br>1983 | August<br>1982 |                                           | August<br>1983 | July<br>1983 | August<br>1982 |
|---------------------------------------------|----------------|--------------|----------------|-------------------------------------------|----------------|--------------|----------------|
| <b>ALAMOSA (1982 pop. 7,182)</b>            |                |              |                | <b>DENVER (1982 pop. 500,600)</b>         |                |              |                |
| Electric Power (kwh) . . .                  | 3,177          | 2,681        | 3,067          | Electric Power (kwh) . . .                | 369,239        | 348,066      | 356,331        |
| Constr. (\$)—Res. . . . .                   | 65             | 60           | 50             | Constr. (\$)—Res. . . . .                 | 13,582         | 19,671       | 8,886          |
| —Nonres. . . . .                            | 0              | 0            | 17             | —Nonres. . . . .                          | 16,066         | 3,396        | 5,514          |
| Deposits (\$) (2 of 2 banks)                | 52,425         | 52,271       | 47,934         | Deposits (\$) (40 of 45 banks)            | 6,948,871*     | 7,066,585    | 6,597,680      |
| <b>ARVADA (1982 pop. 91,262)</b>            |                |              |                | <b>DURANGO (1982 pop. 12,276)</b>         |                |              |                |
| Electric Power (kwh) . . .                  | 28,577         | 26,009       | 27,660         | Electric Power (kwh) . . .                | 5,708          | 6,361        | 6,589          |
| Constr. (\$)—Res. . . . .                   | 4,054          | 3,228        | 426            | Constr. (\$)—Res. . . . .                 | 597            | 1,478        | 85             |
| —Nonres. . . . .                            | 107            | 4,871        | 0              | —Nonres. . . . .                          | 237            | 90           | 90             |
| Deposits (\$) (4 of 5 banks)                | 108,960        | 109,215      | 90,281         | Deposits (\$) (3 of 3 banks)              | 138,017        | 134,381      | 119,067        |
| <b>ASPEN (1982 pop. 4,061)</b>              |                |              |                | <b>ENGLEWOOD (1982 pop. 30,555)</b>       |                |              |                |
| Electric Power (kwh) . . .                  | 2,986          | 2,616        | 3,140          | Electric Power (kwh) . . .                | 23,046         | 21,805       | 21,809         |
| Constr. (\$)—Res. . . . .                   | 275            | 531          | 0              | Constr. (\$)—Res. . . . .                 | 198            | 210          | 159            |
| —Nonres. . . . .                            | 0              | 0            | 0              | —Nonres. . . . .                          | 78             | 98           | 706            |
| Deposits (\$) (2 of 3 banks)                | 77,155         | 76,868       | 73,740         | Deposits (\$) (7 of 12 banks)             | 411,789        | 406,846      | 344,734        |
| <b>AURORA (1982 pop. 178,665)</b>           |                |              |                | <b>ESTES PARK (1982 pop. 2,934)</b>       |                |              |                |
| Electric Power (kwh) . . .                  | 88,632         | 83,486       | 79,884         | Electric Power (kwh) . . .                | 4,945          | 4,967        | 4,717          |
| Constr. (\$)—Res. . . . .                   | 25,394         | 20,068       | 9,130          | Constr. (\$)—Res. . . . .                 | 782            | 73           | 0              |
| —Nonres. . . . .                            | 2,381          | 1,495        | 6,874          | —Nonres. . . . .                          | 130            | 211          | 14             |
| Deposits (\$) (10 of 14 banks)              | 277,313        | 278,937      | 207,710        | Deposits (\$) (2 of 2 banks)              | 44,648         | 42,774       | 40,422         |
| <b>BOULDER (1982 pop. 80,651)</b>           |                |              |                | <b>FORT COLLINS (1982 pop. 68,307)</b>    |                |              |                |
| Electric Power (kwh) . . .                  | 61,060         | 57,560       | 56,416         | Electric Power (kwh) . . .                | 45,773         | 42,239       | 44,200         |
| Constr. (\$)—Res. . . . .                   | 4,670          | 3,901        | 2,481          | Constr. (\$)—Res. . . . .                 | 3,994          | 4,522        | 2,325          |
| —Nonres. . . . .                            | 2,330          | 1,499        | 1,302          | —Nonres. . . . .                          | 624            | 1,906        | 1,270          |
| Deposits (\$) (10 of 10 banks)              | 593,200        | 585,554      | 458,221        | Deposits (\$) (8 of 8 banks)              | 406,404        | 399,619      | 371,503        |
| <b>BRIGHTON (1982 pop. 13,239)</b>          |                |              |                | <b>FORT MORGAN (1982 pop. 8,913)</b>      |                |              |                |
| Electric Power (kwh) . . .                  | 5,368          | 4,526        | 5,172          | Electric Power (kwh) . . .                | 7,808          | 8,189        | 7,697          |
| Constr. (\$)—Res. . . . .                   | n.r.           | 187          | 59             | Constr. (\$)—Res. . . . .                 | n.r.           | 22           | 52             |
| —Nonres. . . . .                            | n.r.           | 0            | 50             | —Nonres. . . . .                          | n.r.           | 0            | 0              |
| Deposits (\$) (2 of 2 banks)                | 59,597         | 63,196       | 54,137         | Deposits (\$) (3 of 3 banks)              | 99,042         | 98,562       | 93,569         |
| <b>BROOMFIELD (1982 pop. 22,452)</b>        |                |              |                | <b>GLENWOOD SPRINGS (1982 pop. 5,000)</b> |                |              |                |
| Electric Power (kwh) . . .                  | 10,551         | 8,744        | 11,176         | Electric Power (kwh) . . .                | 5,250          | 5,053        | 5,404          |
| Constr. (\$)—Res. . . . .                   | 3,701          | 526          | 175            | Constr. (\$)—Res. . . . .                 | 294            | 0            | 419            |
| —Nonres. . . . .                            | 648            | 1,371        | 566            | —Nonres. . . . .                          | 0              | 0            | 0              |
| Deposits (\$) (2 of 2 banks)                | 60,220         | 60,811       | 49,800         | Deposits (\$) (3 of 3 banks)              | 127,312        | 127,115      | 119,216        |
| <b>CANON CITY (1982 pop. 13,576)</b>        |                |              |                | <b>GOLDEN (1982 pop. 13,109)</b>          |                |              |                |
| Electric Power (kwh) . . .                  | 25,083         | 23,890       | 21,234         | Electric Power (kwh) . . .                | 6,376          | 5,728        | 6,249          |
| Constr. (\$)—Res. . . . .                   | 121            | 131          | 148            | Constr. (\$)—Res. . . . .                 | 867            | 644          | 41             |
| —Nonres. . . . .                            | 238            | 0            | 0              | —Nonres. . . . .                          | 634            | 0            | 0              |
| Deposits (\$) (3 of 3 banks)                | 112,394        | 108,657      | 102,978        | Deposits (\$) (3 of 3 banks)              | 161,682        | 156,501      | 135,931        |
| <b>COLORADO SPRINGS (1982 pop. 230,553)</b> |                |              |                | <b>GRAND JUNCTION (1982 pop. 32,082)</b>  |                |              |                |
| Electric Power (kwh) . . .                  | 174,311        | 162,267      | 162,261        | Electric Power (kwh) . . .                | 21,527         | 20,713       | 21,527         |
| Constr. (\$)—Res. . . . .                   | 29,890         | 23,301       | 9,314          | Constr. (\$)—Res. . . . .                 | 139            | 320          | 4,162          |
| —Nonres. . . . .                            | 46,315         | 6,031        | 7,511          | —Nonres. . . . .                          | 5,180          | 116          | 545            |
| Deposits (\$) (17 of 20 banks)              | 1,058,484      | 1,034,819    | 902,857        | Deposits (\$) (5 of 5 banks)              | 267,302*       | 338,778      | 353,782        |
| <b>COMMERCE CITY (1982 pop. 16,412)</b>     |                |              |                | <b>GREELEY (1982 pop. 54,063)</b>         |                |              |                |
| Electric Power (kwh) . . .                  | 30,366         | 31,613       | 25,249         | Electric Power (kwh) . . .                | 27,041         | 28,468       | 28,164         |
| Constr. (\$)—Res. . . . .                   | 229            | 339          | 104            | Constr. (\$)—Res. . . . .                 | 1,962          | 1,087        | 228            |
| —Nonres. . . . .                            | 260            | 340          | 532            | —Nonres. . . . .                          | 13,314         | 2,172        | 1,657          |
| Deposits (\$) (1 of 1 bank)                 | 26,833         | 26,355       | 35,193         | Deposits (\$) (9 of 9 banks)              | 477,421        | 488,870      | 413,461        |
| <b>CORTEZ (1982 pop. 7,489)</b>             |                |              |                | <b>GUNNISON (1982 pop. 6,031)</b>         |                |              |                |
| Electric Power (kwh) . . .                  | 3,560          | 3,429        | 3,383          | Electric Power (kwh) . . .                | 3,097          | 3,259        | 3,039          |
| Constr. (\$)—Res. . . . .                   | n.r.           | 112          | 323            | Constr. (\$)—Res. . . . .                 | 0              | 0            | 0              |
| —Nonres. . . . .                            | n.r.           | 0            | 23             | —Nonres. . . . .                          | 39             | 0            | 0              |
| Deposits (\$) (3 of 3 banks)                | 94,671         | 93,148       | 80,220         | Deposits (\$) (2 of 2 banks)              | 51,800         | 48,489       | 46,122         |
| <b>CRAIG (1982 pop. 10,000)</b>             |                |              |                | <b>LA JUNTA (1982 pop. 8,338)</b>         |                |              |                |
| Electric Power (kwh) . . .                  | 4,110          | 3,697        | 3,499          | Electric Power (kwh) . . .                | 6,044          | 5,680        | 5,567          |
| Constr. (\$)—Res. . . . .                   | 47             | 0            | 81             | Constr. (\$)—Res. . . . .                 | 0              | 0            | 53             |
| —Nonres. . . . .                            | 0              | 0            | 262            | —Nonres. . . . .                          | 0              | 0            | 50             |
| Deposits (\$) (2 of 2 banks)                | 66,110         | 62,342       | 70,104         | Deposits (\$) (2 of 2 banks)              | 52,790         | 55,583       | 46,540         |

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# LOCAL BUSINESS CONDITIONS—Continued

|                                               | August<br>1983 | July<br>1983 | August<br>1982 |
|-----------------------------------------------|----------------|--------------|----------------|
| <b>LAFAYETTE (1982 pop. 10,115)</b>           |                |              |                |
| Electric Power (kwh) . . . .                  | 2,644          | 2,637        | 2,369          |
| Constr. (\$)—Res. . . . .                     | 314            | 857          | 533            |
| —Nonres. . . . .                              | 0              | 18           | 0              |
| Deposits (\$) (1 of 1 bank)                   | 17,446         | 16,851       | 17,027         |
| <b>LAKEWOOD (1982 pop. 117,436)</b>           |                |              |                |
| Electric Power (kwh) . . . .                  | 62,039         | 57,386       | 59,260         |
| Constr. (\$)—Res. . . . .                     | 23,561         | 3,845        | 13,209         |
| —Nonres. . . . .                              | 177            | 715          | 0              |
| Deposits (\$) (12 of 12 banks)                | 573,762        | 580,218      | 490,939        |
| <b>LAMAR (1982 pop. 7,793)</b>                |                |              |                |
| Electric Power (kwh) . . . .                  | 8,787          | n.r.         | 7,986          |
| Constr. (\$)—Res. . . . .                     | 174            | 84           | 67             |
| —Nonres. . . . .                              | 0              | 38           | 6              |
| Deposits (\$) (2 of 2 banks)                  | 81,761         | 82,137       | 70,902         |
| <b>LITTLETON (1982 pop. 30,001)</b>           |                |              |                |
| Electric Power (kwh) . . . .                  | 16,754         | 16,879       | 14,297         |
| Constr. (\$)—Res. . . . .                     | 975            | 3,853        | 1,337          |
| —Nonres. . . . .                              | 136            | 280          | 817            |
| Deposits (\$) (9 of 11 banks)                 | 237,000*       | 240,524      | 191,894        |
| <b>LONGMONT (1982 pop. 46,313)</b>            |                |              |                |
| Electric Power (kwh) . . . .                  | 24,824         | 22,606       | 20,997         |
| Constr. (\$)—Res. . . . .                     | 2,042          | 2,719        | 648            |
| —Nonres. . . . .                              | 420            | 424          | 0              |
| Deposits (\$) (5 of 5 banks)                  | 213,267        | 206,691      | 181,784        |
| <b>LOUISVILLE (1982 pop. 6,067)</b>           |                |              |                |
| Electric Power (kwh) . . . .                  | 10,807         | 9,859        | 8,474          |
| Constr. (\$)—Res. . . . .                     | 7,018          | 5,846        | 2,868          |
| —Nonres. . . . .                              | 765            | 0            | 338            |
| Deposits (\$) (2 of 2 banks)                  | 27,999         | 26,914       | 18,714         |
| <b>LOVELAND (1982 pop. 30,962)</b>            |                |              |                |
| Electric Power (kwh) . . . .                  | 23,561         | 22,208       | 17,598         |
| Constr. (\$)—Res. . . . .                     | 1,317          | 3,219        | 572            |
| —Nonres. . . . .                              | 0              | 603          | 11             |
| Deposits (\$) (4 of 4 banks)                  | 150,572        | 150,252      | 133,484        |
| <b>MONTROSE (1982 pop. 8,895)<sup>b</sup></b> |                |              |                |
| Constr. (\$)—Res. . . . .                     | 0              | 318          | 28             |
| —Nonres. . . . .                              | 0              | 34           | 435            |
| Deposits (\$) (3 of 3 banks)                  | 114,016        | 110,788      | 103,680        |
| <b>NORTHGLENN (1982 pop. 30,980)</b>          |                |              |                |
| Electric Power (kwh) . . . .                  | 11,805         | 10,897       | 12,343         |
| Constr. (\$)—Res. . . . .                     | 134            | 0            | 676            |
| —Nonres. . . . .                              | 358            | 3,948        | 170            |
| Deposits (\$) (2 of 3 banks)                  | 67,473         | 71,341       | 59,010         |
| <b>PUEBLO (1982 pop. 99,619)</b>              |                |              |                |
| Electric Power (kwh) . . . .                  | 54,296         | 51,403       | 51,510         |
| Constr. (\$)—Res. . . . .                     | 406            | 493          | 439            |
| —Nonres. . . . .                              | 802            | 208          | 113            |
| Deposits (\$) (8 of 9 banks)                  | 395,896        | 394,226      | 356,358        |

|                                       | August<br>1983 | July<br>1983 | August<br>1982 |
|---------------------------------------|----------------|--------------|----------------|
| <b>ROCKY FORD (1982 pop. 4,574)</b>   |                |              |                |
| Electric Power (kwh) . . . .          | 6,557          | 5,928        | 6,686          |
| Constr. (\$)—Res. . . . .             | 0              | 0            | 0              |
| —Nonres. . . . .                      | 0              | 0            | 0              |
| Deposits (\$) (1 of 2 banks)          | 14,456         | 14,241       | 13,483         |
| <b>SALIDA (1982 pop. 4,478)</b>       |                |              |                |
| Electric Power (kwh) . . . .          | 1,846          | 1,383        | 1,359          |
| Constr. (\$)—Res. . . . .             | 103            | 0            | 0              |
| —Nonres. . . . .                      | 0              | 0            | 0              |
| Deposits (\$) (2 of 2 banks)          | 40,237         | 40,461       | 41,183         |
| <b>STERLING (1982 pop. 11,470)</b>    |                |              |                |
| Electric Power (kwh) . . . .          | 7,179          | 6,300        | 6,022          |
| Constr. (\$)—Res. . . . .             | 73             | 0            | 47             |
| —Nonres. . . . .                      | 0              | 0            | 0              |
| Deposits (\$) (3 of 3 banks)          | 144,208        | 143,524      | 136,277        |
| <b>THORNTON (1982 pop. 44,130)</b>    |                |              |                |
| Electric Power (kwh) . . . .          | 16,988         | 15,907       | 16,316         |
| Constr. (\$)—Res. . . . .             | 6,322          | 2,460        | 1,734          |
| —Nonres. . . . .                      | 661            | 1,293        | 0              |
| Deposits (\$) (1 of 1 bank)           | 28,136         | 27,381       | 24,691         |
| <b>TRINIDAD (1982 pop. 9,900)</b>     |                |              |                |
| Electric Power (kwh) . . . .          | 2,755          | 2,866        | 2,800          |
| Constr. (\$)—Res. . . . .             | 60             | 0            | 1,276          |
| —Nonres. . . . .                      | 0              | 0            | 0              |
| Deposits (\$) (2 of 2 banks)          | 56,440         | 57,137       | 52,075         |
| <b>WESTMINSTER (1982 pop. 54,995)</b> |                |              |                |
| Electric Power (kwh) . . . .          | 23,419         | 20,119       | 18,839         |
| Constr. (\$)—Res. . . . .             | 4,393          | 9,402        | 3,725          |
| —Nonres. . . . .                      | 580            | 500          | 160            |
| Deposits (\$) (3 of 3 banks)          | 102,346        | 100,717      | 85,585         |
| <b>WHEAT RIDGE (1982 pop. 31,743)</b> |                |              |                |
| Electric Power (kwh) . . . .          | 24,551         | 24,038       | 22,443         |
| Constr. (\$)—Res. . . . .             | 482            | 1,167        | 64             |
| —Nonres. . . . .                      | 229            | 273          | 0              |
| Deposits (\$) (2 of 2 banks)          | 92,784         | 90,917       | 89,928         |

<sup>a</sup>Regional figures.

<sup>b</sup>Electric Power consumption figures are not available.

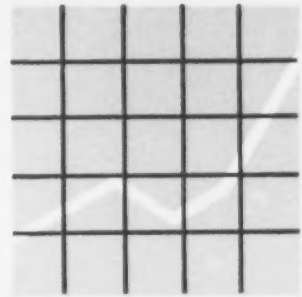
NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.  
Construction figures are valuation of new residential and nonresidential construction only.  
Deposit figures are total deposits in commercial banks as of last day of month.  
n.r.—not reported  
\*—preliminary data  
r—revised data



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# Colorado Business Review

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Volume LVII, Number 1, January 1984

# Terminating Employees

Brian H. Kleiner

One of the biggest areas of confusion and concern today for managers relates to the proper process for terminating employees. Handled improperly it can be very expensive to an organization if an employee chooses to sue in court—even if the company wins. An even greater cost may accrue in an organization in terms of the decreasing motivation, productivity, and satisfaction of existing employees. The purpose of this article is to give managers a guide for handling this process effectively.

The first point that should be emphasized is that there is still a big difference in the basis for terminating employees between unionized and non-unionized organizations. In unionized organizations an employer generally must prove "just cause." By contrast, in non-unionized organizations "terminations at will" is still the rule, although it is weakening. Why, then, are non-unionized organizations, nevertheless, careful not to abuse the "termination at will" doctrine? There appear to be four reasons. First, companies have an investment in their individual employees. Terminating one typically requires the company to accept the cost of training a new employee. Second, companies are becoming increasingly aware that terminating employees tends to indicate as much failure on the part of management as may be the case for the employees themselves. Therefore, mature managers are more willing to reform their own practices before placing the blame of a problem situation totally on the employee. Third, as indicated earlier, a legal battle is time consuming, expensive, and frustrating. And fourth, abuse can easily lead to unionization, a prospect most managers would like to avoid.

## TYPES OF DISCHARGE

In general, there are three types of discharge. They are a non-misconduct discharge, a disciplinary discharge, and progressive discharge.

The non-misconduct discharge results from a reason other than the fault of the employee, as, for example, when there is a lack of work for that employee to do. In fact, lack of work is the most common of all reasons why employees are discharged. The disciplinary discharge, on the other hand, results from gross misconduct, such as fighting, willful destruction of company property, or theft or other dishonest acts. An employer may terminate at once an employee who commits a gross misconduct.

The progressive discharge occurs because of comparatively more minor misconduct that is uncorrected. Normally, one would not terminate an employee on the first infraction. There are generally four areas related to progressive discharge: defective job performance, violation of work rules, disobeying a supervisor, and general personal behavior.

Before discharging an employee for defective job performance, an employer should try to be sure that truly

measurable standards do exist for the job and that the employee's earlier performance appraisal evaluations indicate appropriately where there is defective job performance. Many times managers who seek to avoid conflict hope that their leniency somehow will help the employee's motivation. Often, however, not confronting the employee only creates larger problems for both later on.

Work rules violations are another source of employee discharge. Work rules are generally published in employee handbooks or posted on bulletin boards, and they relate to such areas as absenteeism and tardiness, loafing on the job and inattention to duties, violation of safety rules, and alcohol and drug use. In discharging an employee based on uncorrected violation of work rules, it is particularly important to be sure that all employees are being handled by the company in the same way.

Before discharging an employee for disobeying a supervisor, a company should be able to justify that the insubordination was not provoked. Finally, dismissal for general personal behavior can include creating a disturbance on company property and sexual harassment. The latter is becoming an increasingly sensitive issue that requires proper handling by management.

## THE THREE KEY CONCERNS

In general, there are three keys for not getting into trouble concerning the issue of terminating employees. They are: (1) a competently executed progressive discipline process; (2) a competently executed grievance-handling process; and (3) knowledge of specially protected workers based on current laws and court interpretations. The remainder of this article will treat these areas.

### Progressive Discipline Process

Progressive discipline requires four major steps: oral reprimand, written reprimand, final warning with a probationary period, and dismissal.

The oral reprimand should be practiced in a manner such that the criticism involved is perceived by the one receiving it as both instructional and serious. Some useful guidelines for how to reprimand are contained in the best-selling book, *The One Minute Manager* (Blanchard and Johnson, 1982). They are as follows:

1. Tell people *beforehand* that you are going to let them know how they are doing and in no uncertain terms. (The first half of the reprimand)
2. Reprimand people immediately.
3. Tell people what they did wrong—be specific.
4. Tell people how you feel about what they did wrong—and in no uncertain terms.
5. Stop for a few seconds of uncomfortable silence to let them *feel* how you feel. (The second half of the reprimand)
6. Shake hands, or touch them in a way that lets them know you are honestly on their side.
7. Remind them how much you value them.

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8. Reaffirm that you think well of them but not of their performance in this situation.
9. Realize that when the reprimand is over, it's over.

The written reprimand should show the importance of the situation, describe the particular deficiency, review any previous discussions on the subject, define the standard of performance that is expected, specify a period of time to correct the deficiency, and identify the consequences of the employee's continuing failure to maintain satisfactory performance. This could be deferral of salary increases, lack of promotional opportunities, or possible loss of job. A copy should be given to the employee, and one also should be placed in the employee's personnel file. An appropriate date should be fixed to determine whether satisfactory improvement was achieved. If so, an appropriate memo should be placed in the employee's file.

The final warning with a probationary period should include copies of previous written warnings, specific areas in which the employee must improve, a period of time within which to correct the unsatisfactory performance, and a statement that this is the final opportunity to bring performance up to the required level and that continuing failure will result in termination. One copy should be given to the employee, and one copy should be placed in that employee's personnel file. If there is satisfactory improvement, a memo removing the employee from final warning status should be given to the employee and a copy of that memo placed in the employee's personnel file.

The dismissal step involves actions by the department head and the immediate supervisor concerned. The department head's approval should be obtained by the supervisor before termination. The department head should

make sure that there is a good reason and that it can be substantiated. For instance, the department head can determine that the employee is not meeting measurable performance standards for the job if that is the reason for termination, that the employee has been informed of the shortcomings involved and improvements required, and that the employee has been warned that dismissal will result if performance does not improve. The supervisor does terminate the employee, however. A few hints that the supervisor might keep in mind are that there should be no surprises, that it is all right to give an explanation as to why the person is being terminated, that the finality of the termination is understood, and that it is not necessary to create undue mental stress on the person. Role play training can help to develop skill in this difficult area.

Some general guidelines that can be viewed as a summary are:

1. Put rules in writing and make sure employees understand them.
2. Be prompt, objective, and consistent.
3. Discipline in the privacy of an office.
4. Educate—don't humiliate.
5. Keep a file of all employee infractions.
6. Follow due process.

#### Grievance Handling

In grievance handling it is very important that one be prompt, be comprehensive in the investigation, and be fair. When this process is handled in this manner, there are a number of benefits that can be expected. They are:

1. Employee problems become better known.
2. Problems tend to be solved before they become serious.

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3. Future problems are prevented more easily.
4. Employees are given an emotional release for their dissatisfactions.
5. The working relationship in the group is better maintained.
6. There is a check and balance on arbitrary management actions.

In handling this process it can be helpful to know some of the common symptoms of employee grievances, some of the possible causes of employee grievances, and some of the ways for determining the true cause.

In terms of common symptoms, the following are particularly good indicators: decline in work, insubordination, indifferent attitude, tardiness and absenteeism, and sullenness and moodiness.

Possible causes could relate to the union agreement, to the job, or to the individual. With regard to the agreement, there could be a violation of the agreement or a violation of policies or procedures. With regard to the job, there could be a lack of proper orientation or training, improper placement, lack of recognition or satisfaction, or inadequate compensation. With regard to the individual, there could be family problems, financial problems, health problems, or personal adjustment problems.

Determining the cause can be done in many ways—through formal grievance procedures, improving two-way communication, the use of staff or outside counselors, counseling by supervisors, consultation with the union steward, and consultation with informal group leaders.

Essentially, there are five steps in a company's grievance procedure. In step one, the employee discusses the grievance with the supervisor. To encourage this step it is important for the supervisor to be accessible. An "open door" helps. In step two, the employee presents the grievance in writing to the supervisor. Step three occurs when the steward presents the grievance to the department head. The personnel department should have someone go with and represent a non-union employee. At step four, the union presents the grievance to the general manager.

In a non-unionized organization, a member of the personnel department can do this for the employee. In step five, the grievance is submitted to an impartial arbitrator. No system of grievance reviews short of arbitration can be entirely credible, even in a non-union organization. The manner for choosing an impartial arbitrator is for each side to strike off from a list any who might be objectionable and then go with one of the names who is remaining.

#### **Specially Protected Workers**

The following are some guidelines to keep in mind that relate to specially protected workers. You cannot lawfully terminate someone (1) because of that person's race, sex, national origin, or religion; (2) who complains about working conditions; (3) who tries to organize other workers to join a union; or (4) who is handicapped if the handicap is not affecting the worker's ability to do the job required. Many local laws also indicate that you cannot terminate workers if you object to their sexual preference or marital status, and you cannot lawfully terminate someone for refusing to commit a crime, commit perjury, or violate a public law.

Further, you cannot lawfully terminate "whistle blowers" who are considered to be acting in the best interests of the public, or someone who (as decided by the court or jury) gave to the company some form of "consideration" at the time of employment, such as giving up the right to compete. It is not legal to terminate an employee if the court or jury determines that the company acted in "bad faith," or with malicious intent (such as getting rid of employees just before their pension is about to vest), or in violation of policies reflected in employee handbooks. It is particularly important to be watchful of the wording in employee handbooks. Also, be careful of having trials before juries because they tend to be sympathetic to employees.

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- Blanchard, K. and S. Johnson (1982), *The One Minute Manager*, New York: Morrow.  
 Coulson, R. (1981), *The Termination Handbook*, New York: The Free Press.

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**COLORADO BUSINESS INDICATORS**  
(Figures in Thousands Unless Otherwise Indicated)

|                                                                           | September<br>1983 | August<br>1983 | September<br>1982 | Percent Change<br>September 1983 from |                   |
|---------------------------------------------------------------------------|-------------------|----------------|-------------------|---------------------------------------|-------------------|
|                                                                           |                   |                |                   | August<br>1983                        | September<br>1982 |
| Total Civilian Labor Force (by place of residence) <sup>a</sup> . . . . . | 1,663.4           | 1,667.6        | 1,591.5           | - 0.3                                 | 4.5               |
| Unemployment . . . . .                                                    | 98.9              | 107.8          | 126.3             | - 8.3                                 | -21.7             |
| Unemployment Rate (percent) . . . . .                                     | 5.9               | 6.5            | 7.9               | -                                     | -                 |
| Employment . . . . .                                                      | 1,564.5           | 1,559.8        | 1,465.2           | 0.3                                   | 6.8               |
| Nonagricultural Wage and Salary . . . . .                                 | 1,517.3           | 1,512.6        | 1,417.4           | 0.3                                   | 7.0               |
| Agricultural . . . . .                                                    | 47.2              | 47.2           | 47.8              | 0.0                                   | - 1.3             |
| <hr/>                                                                     |                   |                |                   |                                       |                   |
| Total Nonagricultural Wage and Salary                                     |                   |                |                   |                                       |                   |
| Employment (by place of work) <sup>a</sup> . . . . .                      | 1,346.7           | 1,330.1        | 1,308.0           | 1.2                                   | 3.0               |
| Mining . . . . .                                                          | 39.6              | 40.2           | 43.2              | - 1.5                                 | - 8.3             |
| Metallic Minerals . . . . .                                               | 5.9               | 6.1            | 9.1               | - 3.3                                 | -35.2             |
| Bituminous Coal, Lignite, and Nonmetallic . . . . .                       | 4.5               | 4.6            | 5.0               | - 2.2                                 | -10.0             |
| Oil and Gas Extraction . . . . .                                          | 29.2              | 29.5           | 29.1              | - 1.0                                 | 0.3               |
| Contract Construction . . . . .                                           | 89.7              | 90.3           | 81.5              | - 0.7                                 | 10.1              |
| Manufacturing . . . . .                                                   | 182.2             | 181.9          | 179.5             | 0.2                                   | 1.5               |
| Lumber, Wood Products, and Furniture . . . . .                            | 6.9               | 7.0            | 6.5               | - 1.4                                 | 6.2               |
| Stone, Clay, Glass, and Concrete Products . . . . .                       | 9.9               | 9.9            | 10.1              | 0.0                                   | - 2.0             |
| Primary and Fabricated Metals . . . . .                                   | 14.2              | 14.1           | 15.0              | 0.7                                   | - 5.3             |
| Machinery, Except Electrical . . . . .                                    | 26.7              | 26.0           | 25.3              | 2.7                                   | 5.5               |
| Electric and Electronic Equipment . . . . .                               | 17.4              | 17.3           | 16.9              | 0.6                                   | 3.0               |
| Transportation Equipment . . . . .                                        | 13.6              | 13.6           | 14.3              | 0.0                                   | 5.1               |
| Other Durable Goods . . . . .                                             | 27.8              | 28.2           | 27.7              | - 1.4                                 | 0.4               |
| Food and Kindred Products . . . . .                                       | 24.3              | 24.6           | 23.8              | - 1.2                                 | 2.1               |
| Textiles and Apparel . . . . .                                            | 3.4               | 3.3            | 3.1               | 3.0                                   | 9.7               |
| Paper and Allied Products . . . . .                                       | 2.1               | 2.0            | 2.0               | 5.0                                   | 5.0               |
| Printing and Publishing . . . . .                                         | 19.3              | 19.1           | 18.6              | 1.1                                   | 3.8               |
| Chemicals and Allied Products . . . . .                                   | 7.9               | 7.9            | 7.6               | 0.0                                   | 4.0               |
| Other Nondurable Goods . . . . .                                          | 8.9               | 8.9            | 8.6               | 0.0                                   | 3.5               |
| Finance, Insurance, and Real Estate . . . . .                             | 86.2              | 87.2           | 83.5              | - 1.2                                 | 3.2               |
| Banking . . . . .                                                         | 20.9              | 21.1           | 21.5              | - 1.0                                 | - 2.8             |
| Credit Agencies Other than Banks . . . . .                                | 13.4              | 13.3           | 12.8              | 0.8                                   | 4.7               |
| Insurance Carriers, Agents, and Brokers . . . . .                         | 20.5              | 20.7           | 20.4              | - 1.0                                 | 0.5               |
| Real Estate and Combination Offices . . . . .                             | 22.7              | 23.4           | 21.5              | - 3.0                                 | 5.6               |
| Other Finance, Insurance, and Real Estate . . . . .                       | 8.7               | 8.7            | 7.3               | 0.0                                   | 19.2              |
| Transportation and Public Utilities . . . . .                             | 85.4              | 77.2           | 85.5              | 10.6                                  | - 0.1             |
| Railroad Transportation . . . . .                                         | 5.7               | 5.7            | 6.0               | 0.0                                   | - 5.0             |
| Trucking and Warehousing . . . . .                                        | 17.2              | 16.8           | 17.2              | 2.4                                   | 0.0               |
| Air Transportation . . . . .                                              | 15.5              | 15.5           | 14.2              | 0.0                                   | 9.2               |
| Other Transportation . . . . .                                            | 6.5               | 6.5            | 6.6               | 0.0                                   | - 1.5             |
| Communications, Electric, Gas, and Sanitary Services . . . . .            | 40.6              | 32.8           | 41.4              | 23.8                                  | - 1.9             |
| Trade . . . . .                                                           | 330.4             | 330.4          | 322.6             | 0.0                                   | 2.4               |
| Wholesale Trade . . . . .                                                 | 81.7              | 81.7           | 81.0              | 0.0                                   | 0.9               |
| Retail Trade . . . . .                                                    | 248.6             | 248.7          | 241.5             | - 0.0                                 | 2.9               |
| Services . . . . .                                                        | 291.1             | 294.9          | 277.7             | - 1.3                                 | 4.8               |
| Lodging and Combination Lodging/Eating Places . . . . .                   | 27.0              | 28.4           | 25.4              | - 4.9                                 | 6.3               |
| Personal Services . . . . .                                               | 15.1              | 15.0           | 14.1              | 0.7                                   | 7.1               |
| Business Services . . . . .                                               | 58.5              | 58.0           | 52.3              | 0.9                                   | 11.9              |
| Auto and Miscellaneous Repair Services . . . . .                          | 14.7              | 14.8           | 14.1              | - 0.7                                 | 4.3               |
| Amusements and Recreation . . . . .                                       | 18.7              | 21.0           | 16.7              | -11.0                                 | 12.0              |
| Health Services . . . . .                                                 | 74.0              | 73.9           | 72.9              | 0.1                                   | 1.5               |
| Educational Services . . . . .                                            | 9.7               | 8.9            | 9.8               | 9.0                                   | - 1.0             |
| Membership Organizations . . . . .                                        | 19.8              | 20.6           | 19.5              | - 3.9                                 | 1.5               |
| Other Services . . . . .                                                  | 53.4              | 54.4           | 52.9              | - 1.8                                 | 1.0               |
| Government . . . . .                                                      | 242.0             | 228.0          | 234.6             | 6.1                                   | 3.2               |
| Federal . . . . .                                                         | 53.3              | 53.4           | 51.1              | - 0.2                                 | 4.3               |
| State . . . . .                                                           | 55.8              | 50.0           | 54.4              | 11.6                                  | 2.6               |
| Local . . . . .                                                           | 133.0             | 124.6          | 129.1             | 6.7                                   | 3.0               |

|                                                                         | September<br>1983 | August<br>1983 | September<br>1982 | Percent Change<br>September 1983 from |                   |
|-------------------------------------------------------------------------|-------------------|----------------|-------------------|---------------------------------------|-------------------|
|                                                                         |                   |                |                   | August<br>1983                        | September<br>1982 |
| Average Weekly Hours                                                    |                   |                |                   |                                       |                   |
| Construction . . . . .                                                  | 40.7              | 39.7           | 36.1              | 2.5                                   | 12.7              |
| Manufacturing . . . . .                                                 | 40.6              | 40.2           | 39.1              | 1.0                                   | 3.8               |
| Durable Goods . . . . .                                                 | 41.1              | 40.6           | 39.5              | 1.2                                   | 4.1               |
| Nondurable Goods . . . . .                                              | 40.0              | 39.6           | 38.6              | 1.0                                   | 3.6               |
| Average Weekly Earnings (\$)                                            |                   |                |                   |                                       |                   |
| Construction . . . . .                                                  | 545.79            | 529.99         | 489.88            | 3.0                                   | 11.4              |
| Manufacturing . . . . .                                                 | 366.62            | 363.01         | 340.56            | 1.0                                   | 7.7               |
| Durable Goods . . . . .                                                 | 379.76            | 372.71         | 350.76            | 1.9                                   | 8.3               |
| Nondurable Goods . . . . .                                              | 348.40            | 348.48         | 325.78            | - 0.0                                 | 6.9               |
| Initial Unemployment Claims (000) . . . . .                             | 15.0              | n.r.           | 20.8              | -                                     | -27.9             |
| Bankruptcies, All Types (number) . . . . .                              | 525               | 567            | 566               | - 7.4                                 | - 7.2             |
| Total State Revenue (\$000) . . . . .                                   | 550,011           | 581,642        | 494,502           | - 5.4                                 | 11.2              |
| Total State Expenditures (\$000) . . . . .                              | 548,222           | 627,531        | 501,076           | -12.6                                 | 9.4               |
| Crude Oil Production (thous. bbls.) . . . . .                           | 2,528             | 2,419          | 2,469             | 4.5                                   | 2.4               |
| Dry Gas Production (mil. cu. ft.) . . . . .                             | 10,374            | 8,604          | 11,227            | 20.6                                  | - 7.6             |
| Coal Production . . . . .                                               | 1,383.2           | 1,632.0        | 1,290.2           | -15.3                                 | 7.2               |
| New Oil and Gas Wells (number) . . . . .                                | 166               | 202            | 171               | -17.8                                 | - 2.9             |
| Natural Gas Used (bil. cu. ft.) . . . . .                               | 6.0               | 5.7            | 8.4               | 5.3                                   | -28.6             |
| Electrical Power Sales (mil. kwh)                                       |                   |                |                   |                                       |                   |
| Residential . . . . .                                                   | 503.4             | 499.3          | 472.6             | 0.8                                   | 6.5               |
| Nonresidential . . . . .                                                | 1,210.8           | 1,251.7        | 1,157.8           | - 3.3                                 | 4.6               |
| New Construction, 122 places                                            |                   |                |                   |                                       |                   |
| Residential permits (number) . . . . .                                  | 2,961             | 3,323          | 1,821             | -10.9                                 | 62.6              |
| Residential value (\$000) . . . . .                                     | 206,190           | 236,889        | 118,022           | -13.0                                 | 74.7              |
| Nonresidential permits (number) . . . . .                               | 432               | 380            | 165               | 13.7                                  | 161.8             |
| Nonresidential value (\$000) . . . . .                                  | 91,987            | 85,405         | 43,073            | 7.7                                   | 113.6             |
| Highway Contractor Payments (\$000) . . . . .                           | 15,453            | 12,975         | 18,005            | 19.1                                  | -14.2             |
| Savings and Loan Net New Savings (\$000) <sup>b</sup> . . . . .         | -57,600           | 49,000         | -50,100           | -                                     | -                 |
| National Park Recreational Visits—10 Areas (000) <sup>b</sup> . . . . . | 1,004.0           | 1,355.5        | 673.5             | -25.9                                 | 49.1              |
| Motor Vehicle Title Applications (000) . . . . .                        | 107.2             | 90.3           | 83.8              | 18.7                                  | 27.9              |
| Highway Vehicle Traffic Counts at Border                                |                   |                |                   |                                       |                   |
| Stations (daily average) . . . . .                                      | 41,779*           | 53,529         | 43,203            | -22.0                                 | - 3.3             |
| Air Passengers, Stapleton (000) <sup>c</sup> . . . . .                  | 1,927             | 2,346          | 1,920             | -17.9                                 | 0.4               |
| Air Freight and Air Express, Stapleton (thous. lbs.) . . . . .          | 30,469            | 29,929         | 27,319            | 1.8                                   | 11.5              |
| Prices Received by Farmers (\$)                                         |                   |                |                   |                                       |                   |
| Beef Cattle (per cwt) . . . . .                                         | 57.30             | 60.10          | 59.90             | - 4.7                                 | - 4.3             |
| Lambs (per cwt) . . . . .                                               | 47.90             | 50.00          | 53.90             | - 4.2                                 | -11.1             |
| Wheat (per bu.) . . . . .                                               | 3.31              | 3.26           | 3.23              | 1.5                                   | 2.5               |
| Corn (per bu.) . . . . .                                                | 3.15              | 3.25           | 2.19              | - 3.1                                 | 43.8              |
| Potatoes (per cwt) . . . . .                                            | 6.85              | 5.00           | 3.75r             | 37.0                                  | 82.7              |
| Wool . . . . .                                                          | .60               | .48            | .60r              | 25.0                                  | 0.0               |

NOTES: An asterisk (\*) indicates preliminary data subject to revision.  
Revised data are marked (r).  
n.r.—not reported.

<sup>a</sup>Employment figures have been updated to a December 1981 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a March 1981 benchmark. Thus, these data are not comparable to that published prior.

<sup>b</sup>New series, thus figures are not comparable to those previously published.

<sup>c</sup>Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Referee in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from 17 individual companies.

New Construction from Bureau of the Census, U.S. Department of Commerce.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

Recreational Visits from National Park Service, Denver.

Highway Traffic counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.



**LOCAL BUSINESS CONDITIONS**  
(All Figures in Thousands)

|                                             | September<br>1983 | August<br>1983 | September<br>1982 |                                           | September<br>1983 | August<br>1983 | September<br>1982 |
|---------------------------------------------|-------------------|----------------|-------------------|-------------------------------------------|-------------------|----------------|-------------------|
| <b>ALAMOSA (1982 pop. 7,182)</b>            |                   |                |                   | <b>DENVER (1982 pop. 500,600)</b>         |                   |                |                   |
| Electric Power (kwh) . . . . .              | 3,138             | 3,177          | 3,182             | Electric Power (kwh) . . . . .            | 367,136           | 369,239        | 357,277           |
| Constr. (\$)—Res. . . . .                   | 0                 | 65             | 91                | Constr. (\$)—Res. . . . .                 | 12,845            | 13,582         | 6,599             |
| —Nonres. . . . .                            | 0                 | 0              | 13                | —Nonres. . . . .                          | 6,326             | 16,066         | 8,843             |
| Deposits (\$) (2 of 2 banks)                | 52,890            | 52,425         | 48,943            | Deposits (\$) (40 of 45 banks)            | 7,309,808         | 7,017,019      | 6,502,414         |
| <b>ARVADA (1982 pop. 91,262)</b>            |                   |                |                   | <b>DURANGO (1982 pop. 12,276)</b>         |                   |                |                   |
| Electric Power (kwh) . . . . .              | 30,065            | 28,577         | 28,491            | Electric Power (kwh) . . . . .            | 5,964             | 5,708          | 5,914             |
| Constr. (\$)—Res. . . . .                   | 2,682             | 4,054          | 2,528             | Constr. (\$)—Res. . . . .                 | 359               | 597            | 0                 |
| —Nonres. . . . .                            | 948               | 107            | 1,085             | —Nonres. . . . .                          | 239               | 237            | 0                 |
| Deposits (\$) (4 of 5 banks)                | 111,493           | 108,960        | 89,174            | Deposits (\$) (3 of 3 banks)              | 140,954           | 138,017        | 120,399           |
| <b>ASPEN (1982 pop. 4,081)</b>              |                   |                |                   | <b>ENGLEWOOD (1982 pop. 30,555)</b>       |                   |                |                   |
| Electric Power (kwh) . . . . .              | 2,635             | 2,986          | 2,548             | Electric Power (kwh) . . . . .            | 23,970            | 23,046         | 21,918            |
| Constr. (\$)—Res. . . . .                   | 0                 | 275            | 210               | Constr. (\$)—Res. . . . .                 | 198               | 198            | 0                 |
| —Nonres. . . . .                            | 1,090             | 0              | 0                 | —Nonres. . . . .                          | 2,596             | 78             | 1,788             |
| Deposits (\$) (2 of 3 banks)                | 78,781            | 77,155         | 74,497            | Deposits (\$) (7 of 12 banks)             | 427,465           | 411,789        | 339,372           |
| <b>AURORA (1982 pop. 178,665)</b>           |                   |                |                   | <b>ESTES PARK (1982 pop. 2,934)</b>       |                   |                |                   |
| Electric Power (kwh) . . . . .              | 100,533           | 88,632         | 79,130            | Electric Power (kwh) . . . . .            | 4,701             | 4,946          | 4,450             |
| Constr. (\$)—Res. . . . .                   | 24,412            | 25,394         | 11,979            | Constr. (\$)—Res. . . . .                 | 502               | 782            | 56                |
| —Nonres. . . . .                            | 4,899             | 2,381          | 170               | —Nonres. . . . .                          | 0                 | 130            | 0                 |
| Deposits (\$) (10 of 14 banks)              | 278,941           | 277,313        | 206,466           | Deposits (\$) (2 of 2 banks)              | 44,849            | 44,648         | 40,469            |
| <b>BOULDER (1982 pop. 80,651)</b>           |                   |                |                   | <b>FORT COLLINS (1982 pop. 68,307)</b>    |                   |                |                   |
| Electric Power (kwh) . . . . .              | 62,973            | 61,060         | 55,941            | Electric Power (kwh) . . . . .            | 48,386            | 45,773         | 39,028            |
| Constr. (\$)—Res. . . . .                   | 7,237             | 4,670          | 311               | Constr. (\$)—Res. . . . .                 | 4,722             | 3,994          | 1,699             |
| —Nonres. . . . .                            | 2,775             | 2,330          | 1,418             | —Nonres. . . . .                          | 391               | 624            | 834               |
| Deposits (\$) (10 of 10 banks)              | 599,889           | 593,200        | 451,139           | Deposits (\$) (8 of 8 banks)              | 418,166           | 406,404        | 366,394           |
| <b>BRIGHTON (1982 pop. 13,239)</b>          |                   |                |                   | <b>FORT MORGAN (1982 pop. 8,913)</b>      |                   |                |                   |
| Electric Power (kwh) . . . . .              | 5,383             | 5,368          | 4,965             | Electric Power (kwh) . . . . .            | 8,611             | 7,808          | 7,822             |
| Constr. (\$)—Res. . . . .                   | 0                 | 127            | 70                | Constr. (\$)—Res. . . . .                 | 364               | 239            | 50                |
| —Nonres. . . . .                            | 940               | 301            | 0                 | —Nonres. . . . .                          | 0                 | 0              | 37                |
| Deposits (\$) (2 of 2 banks)                | 63,210            | 59,597         | 53,857            | Deposits (\$) (3 of 3 banks)              | 99,837            | 99,042         | 89,045            |
| <b>BROOMFIELD (1982 pop. 22,452)</b>        |                   |                |                   | <b>GLENWOOD SPRINGS (1982 pop. 5,000)</b> |                   |                |                   |
| Electric Power (kwh) . . . . .              | 9,545             | 10,551         | 10,750            | Electric Power (kwh) . . . . .            | 4,900             | 5,250          | 4,846             |
| Constr. (\$)—Res. . . . .                   | 3,176             | 3,701          | 185               | Constr. (\$)—Res. . . . .                 | 340               | 294            | 563               |
| —Nonres. . . . .                            | 0                 | 648            | 0                 | —Nonres. . . . .                          | 0                 | 0              | 31                |
| Deposits (\$) (2 of 2 banks)                | 65,028            | 60,220         | 50,225            | Deposits (\$) (3 of 3 banks)              | 127,046           | 127,312        | 116,037           |
| <b>CANON CITY (1982 pop. 13,576)</b>        |                   |                |                   | <b>GOLDEN (1982 pop. 13,109)</b>          |                   |                |                   |
| Electric Power (kwh) . . . . .              | 24,962            | 25,083         | 26,327            | Electric Power (kwh) . . . . .            | 6,090             | 6,376          | 5,793             |
| Constr. (\$)—Res. . . . .                   | 259               | 121            | 35                | Constr. (\$)—Res. . . . .                 | 601               | 867            | 382               |
| —Nonres. . . . .                            | 0                 | 238            | 0                 | —Nonres. . . . .                          | 0                 | 634            | 0                 |
| Deposits (\$) (3 of 3 banks)                | 111,422           | 112,394        | 101,398           | Deposits (\$) (3 of 3 banks)              | 159,217           | 161,682        | 127,280           |
| <b>COLORADO SPRINGS (1982 pop. 230,553)</b> |                   |                |                   | <b>GRAND JUNCTION (1982 pop. 32,082)</b>  |                   |                |                   |
| Electric Power (kwh) . . . . .              | 168,144           | 174,311        | 156,381           | Electric Power (kwh) . . . . .            | 23,319            | 21,527         | 21,313            |
| Constr. (\$)—Res. <sup>a</sup> . . . . .    | 41,046            | 29,890         | 16,300            | Constr. (\$)—Res. . . . .                 | 1,542             | 139            | 1,263             |
| —Nonres. . . . .                            | 18,063            | 46,315         | 5,368             | —Nonres. . . . .                          | 9,911             | 5,180          | 10,221            |
| Deposits (\$) (17 of 20 banks)              | 1,005,242*        | 1,058,484      | 884,332           | Deposits (\$) (5 of 5 banks)              | 335,520           | 335,264r       | 348,880           |
| <b>COMMERCE CITY (1982 pop. 16,412)</b>     |                   |                |                   | <b>GREELEY (1982 pop. 54,063)</b>         |                   |                |                   |
| Electric Power (kwh) . . . . .              | 27,602            | 30,366         | 16,299            | Electric Power (kwh) . . . . .            | 30,688            | 27,041         | 26,678            |
| Constr. (\$)—Res. . . . .                   | 30                | 229            | 210               | Constr. (\$)—Res. . . . .                 | 2,627             | 1,962          | 508               |
| —Nonres. . . . .                            | 805               | 260            | 0                 | —Nonres. . . . .                          | 43                | 13,314         | 24                |
| Deposits (\$) (1 of 1 bank)                 | 27,363            | 26,833         | 27,866            | Deposits (\$) (9 of 9 banks)              | 484,681           | 477,421        | 413,340           |
| <b>CORTEZ (1982 pop. 7,489)</b>             |                   |                |                   | <b>GUNNISON (1982 pop. 6,031)</b>         |                   |                |                   |
| Electric Power (kwh) . . . . .              | 3,817             | 3,560          | 2,570             | Electric Power (kwh) . . . . .            | 3,330             | 3,097          | 3,298             |
| Constr. (\$)—Res. . . . .                   | 136               | 76             | 123               | Constr. (\$)—Res. . . . .                 | 32                | 0              | 0                 |
| —Nonres. . . . .                            | 45                | 0              | 0                 | —Nonres. . . . .                          | 495               | 39             | 36                |
| Deposits (\$) (3 of 3 banks)                | 91,051            | 94,671         | 78,941            | Deposits (\$) (2 of 2 banks)              | 52,367            | 51,800         | 46,918            |
| <b>CRAIG (1982 pop. 10,000)</b>             |                   |                |                   | <b>LA JUNTA (1982 pop. 8,338)</b>         |                   |                |                   |
| Electric Power (kwh) . . . . .              | 4,210             | 4,110          | 3,716             | Electric Power (kwh) . . . . .            | 5,094             | 6,044          | 5,044             |
| Constr. (\$)—Res. . . . .                   | 0                 | 47             | 0                 | Constr. (\$)—Res. . . . .                 | 60                | 0              | 97                |
| —Nonres. . . . .                            | 0                 | 0              | 0                 | —Nonres. . . . .                          | 0                 | 0              | 0                 |
| Deposits (\$) (2 of 2 banks)                | 63,670            | 66,110         | 68,919            | Deposits (\$) (2 of 2 banks)              | 55,860            | 52,790         | 47,964            |

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# LOCAL BUSINESS CONDITIONS—Continued

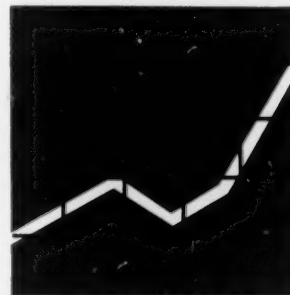
|                                         | September<br>1983 | August<br>1983 | September<br>1982 |
|-----------------------------------------|-------------------|----------------|-------------------|
| LAFAYETTE (1982 pop. 10,115)            |                   |                |                   |
| Electric Power (kwh) . . . .            | 2,826             | 2,644          | 2,575             |
| Constr. (\$)—Res. . . . .               | 1,277             | 314            | 1,553             |
| —Nonres. . . . .                        | 0                 | 0              | 775               |
| Deposits (\$) (1 of 1 bank)             | 17,066            | 17,446         | 16,024            |
| LAKEWOOD (1982 pop. 117,436)            |                   |                |                   |
| Electric Power (kwh) . . . .            | 60,441            | 62,039         | 60,169            |
| Constr. (\$)—Res. . . . .               | 7,843             | 23,561         | 4,645             |
| —Nonres. . . . .                        | 8,417             | 177            | 1,061             |
| Deposits (\$) (12 of 12 banks)          | 571,106           | 573,762        | 484,876           |
| LAMAR (1982 pop. 7,793)                 |                   |                |                   |
| Electric Power (kwh) . . . .            | 9,743             | 8,787          | 8,240             |
| Constr. (\$)—Res. . . . .               | 169               | 174            | 297               |
| —Nonres. . . . .                        | 0                 | 0              | 0                 |
| Deposits (\$) (2 of 2 banks)            | 82,469            | 81,761         | 72,089            |
| LITTLETON (1982 pop. 30,001)            |                   |                |                   |
| Electric Power (kwh) . . . .            | 18,184            | 16,754         | 16,342            |
| Constr. (\$)—Res. . . . .               | 1,926             | 975            | 2,518             |
| —Nonres. . . . .                        | 860               | 136            | 172               |
| Deposits (\$) (9 of 11 banks)           | 185,045*          | 246,308r       | 186,471           |
| LONGMONT (1982 pop. 46,313)             |                   |                |                   |
| Electric Power (kwh) . . . .            | 25,449            | 24,824         | 20,684            |
| Constr. (\$)—Res. . . . .               | 2,689             | 2,042          | 554               |
| —Nonres. . . . .                        | 2,631             | 420            | 0                 |
| Deposits (\$) (5 of 5 banks)            | 216,082           | 213,267        | 177,934           |
| LOUISVILLE (1982 pop. 6,067)            |                   |                |                   |
| Electric Power (kwh) . . . .            | 10,340            | 10,807         | 17,643            |
| Constr. (\$)—Res. . . . .               | 1,260             | 7,018          | 2,753             |
| —Nonres. . . . .                        | 0                 | 765            | 567               |
| Deposits (\$) (2 of 2 banks)            | 29,133            | 27,999         | 18,544            |
| LOVELAND (1982 pop. 30,962)             |                   |                |                   |
| Electric Power (kwh) . . . .            | 20,674            | 23,561         | 15,761            |
| Constr. (\$)—Res. . . . .               | 862               | 1,317          | 1,192             |
| —Nonres. . . . .                        | 0                 | 0              | 0                 |
| Deposits (\$) (4 of 4 banks)            | 152,794           | 150,572        | 131,052           |
| MONTROSE (1982 pop. 8,895) <sup>b</sup> |                   |                |                   |
| Constr. (\$)—Res. . . . .               | 187               | 0              | 36                |
| —Nonres. . . . .                        | 0                 | 0              | 56                |
| Deposits (\$) (3 of 3 banks)            | 116,338           | 114,016        | 101,655           |
| NORTHGLENN (1982 pop. 30,980)           |                   |                |                   |
| Electric Power (kwh) . . . .            | 12,204            | 11,805         | 12,208            |
| Constr. (\$)—Res. . . . .               | 176               | 134            | 0                 |
| —Nonres. . . . .                        | 1,383             | 358            | 0                 |
| Deposits (\$) (2 of 3 banks)            | 68,884            | 67,473         | 57,670            |
| PUEBLO (1982 pop. 99,619)               |                   |                |                   |
| Electric Power (kwh) . . . .            | 55,275            | 54,296         | 52,102            |
| Constr. (\$)—Res. . . . .               | 343               | 406            | 183               |
| —Nonres. . . . .                        | 388               | 802            | 323               |
| Deposits (\$) (8 of 9 banks)            | 395,194           | 395,696        | 359,692           |

|                                | September<br>1983 | August<br>1983 | September<br>1982 |
|--------------------------------|-------------------|----------------|-------------------|
| ROCKY FORD (1982 pop. 4,574)   |                   |                |                   |
| Electric Power (kwh) . . . .   | 6,802             | 6,557          | 6,119             |
| Constr. (\$)—Res. . . . .      | 0                 | 0              | 0                 |
| —Nonres. . . . .               | 0                 | 0              | 0                 |
| Deposits (\$) (1 of 2 banks)   | 15,114            | 14,456         | 13,334            |
| SALIDA (1982 pop. 4,478)       |                   |                |                   |
| Electric Power (kwh) . . . .   | 1,553             | 1,846          | 1,466             |
| Constr. (\$)—Res. . . . .      | 67                | 103            | 0                 |
| —Nonres. . . . .               | 0                 | 0              | 0                 |
| Deposits (\$) (2 of 2 banks)   | 39,072            | 40,237         | 44,100            |
| STERLING (1982 pop. 11,470)    |                   |                |                   |
| Electric Power (kwh) . . . .   | 7,215             | 7,179          | 6,865             |
| Constr. (\$)—Res. . . . .      | 49                | 73             | 45                |
| —Nonres. . . . .               | 0                 | 0              | 87                |
| Deposits (\$) (3 of 3 banks)   | 142,434           | 144,208        | 134,303           |
| THORNTON (1982 pop. 44,130)    |                   |                |                   |
| Electric Power (kwh) . . . .   | 17,366            | 16,988         | 17,227            |
| Constr. (\$)—Res. . . . .      | 2,710             | 6,322          | 1,158             |
| —Nonres. . . . .               | 0                 | 661            | 0                 |
| Deposits (\$) (1 of 1 bank)    | 27,811            | 28,136         | 24,017            |
| TRINIDAD (1982 pop. 9,900)     |                   |                |                   |
| Electric Power (kwh) . . . .   | 2,947             | 2,755          | 3,001             |
| Constr. (\$)—Res. . . . .      | 41                | 60             | 0                 |
| —Nonres. . . . .               | 0                 | 0              | 0                 |
| Deposits (\$) (2 of 2 banks)   | 59,288            | 56,440         | 52,711            |
| WESTMINSTER (1982 pop. 54,995) |                   |                |                   |
| Electric Power (kwh) . . . .   | 23,739            | 23,419         | 25,536            |
| Constr. (\$)—Res. . . . .      | 6,472             | 4,393          | 4,531             |
| —Nonres. . . . .               | 727               | 580            | 300               |
| Deposits (\$) (3 of 3 banks)   | 102,523           | 102,346        | 87,606            |
| WHEAT RIDGE (1982 pop. 31,743) |                   |                |                   |
| Electric Power (kwh) . . . .   | 23,787            | 24,551         | 21,568            |
| Constr. (\$)—Res. . . . .      | 1,203             | 482            | 496               |
| —Nonres. . . . .               | 984               | 229            | 212               |
| Deposits (\$) (2 of 2 banks)   | 90,603            | 92,784         | 70,938            |

<sup>a</sup>Regional figures.

<sup>b</sup>Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.  
Construction figures are valuation of new residential and nonresidential construction only.  
Deposit figures are total deposits in commercial banks as of last day of month.  
n.r.—not reported  
\*—preliminary data  
r—revised data



# Colorado Business Review

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Volume LVII, Number 2, February 1984



# Emulating Japan: Caveat Praefectus (Let the Manager Beware)

Joseph H. Cady and William R. Soukup

Several months ago, the chief executive officer of a medium-sized high technology firm based in California received an alarming quarterly report from the company's accounting department. The contents of the report reflected the effects of a sudden increase in Japanese competition: company profits and market share were both down significantly from the corresponding quarter of the previous year. Furthermore, cost advantages of the Japanese had resulted in price reductions throughout the industry, leaving the CEO's company with a dangerously low profit margin on its existing sales.

The reaction by the CEO was typical. He swiftly organized several vice presidents into a committee in an attempt to research and rebuff the surging Japanese competition. Emphasis was placed on finding the key reasons behind the Japanese success and subsequently instilling these identical management practices at the high technology firm. The committee set out to complete the task assigned by the CEO by attending various productivity and quality control circle seminars in addition to conducting a thorough review of the current literature on the subject.

But when the CEO received the committee's final report two months later, he was shocked and dismayed as he read the findings. His staff had concluded that the one-to-three-day seminars it had attended were wholly inadequate to serve as a basis for practical implementation at the high technology company. "Superficial, with insufficient depth to be of any use," wrote one committee member. Further, the group had found much of the existing literature on Japanese management to read like a high school essay entitled, "What I Saw on My Trip to Japan." Other complaints on the research to date included an absence of comprehensiveness, objectivity, or empirical evidence for the conclusions offered. Another frequent observation was the extensive contradictions prevailing among various authors and their research findings.

After reading the committee's disturbing report, the CEO begrudgingly abandoned all efforts to "turn the company Japanese." Worst of all, he now pondered—seemingly without any promising alternatives—the uncertain future of his company in light of the advancing Japanese competitive threat.

Ironically, this scenario is being repeated in numerous companies within this country. These organizations, hoping to implement Japanese management practices and reap successes similar to those of their Far East competitors, are eventually thwarted in their efforts because of the many unforeseen problems they encounter.

Joseph H. Cady has actively researched and analyzed the practices of Japanese management for several years. William R. Soukup is Assistant Professor of Management at the University of San Diego.

## THE ALLURE OF JAPANESE MANAGEMENT PRACTICE

Actually, the attraction of Japanese management practices as the saving grace for U.S. business is only natural. The abilities of the Japanese are well portrayed by the latest economic data: In 1980, Japan's GNP ranked third highest in the world, and with current growth rates extrapolated to the year 2000, Japan will surpass even the U.S. (Pascale and Athos 1981, p. 23).

Given the necessity to gain an understanding into the reasons for Japan's business and economic success, one immediately faces many serious barriers, few of which are readily apparent. According to the U.S. business press, explanations for Japan's growth include quality control circles, lifetime employment guarantees, modernization of plant and equipment, the cultural foundations of the Japanese people, futuristic attitudes of business executives, cooperation between government and business, consensus in decision-making ("ringi"), and a promotional system based on a blend of skill and seniority. (One even finds citations of such abstract sources as a 337-year-old book on Samurai sword-fighting strategy, *A Book of Five Rings*, purportedly embedded with the key philosophies of Japanese management.) As a result, some U.S. companies have proudly adopted quality control circles, "ringi," and other elements of Japanese management into their corporate structures and operating procedures in hopes of achieving levels of success similar to those enjoyed by their Japanese counterparts. Recent estimates, for example, indicate that over 500 U.S. firms now practice some variation of quality control circles with a tenfold increase predicted within the coming five years.

However, increasing numbers of these same organizations are now aborting their efforts to "turn Japanese." This results from the firm's inability to achieve the "advertised"—or even satisfactory—outcomes. Other business executives often fail to reconcile the endless inconsistencies within the writings of differing "authorities" or observers, consequently rejecting Japanese management practices as incomprehensible.

## THE PROBLEMS BEHIND FAILURE

The reasons for these failures of execution and understanding go far beyond incorrect methods of implementation and the traditional problems associated with translating theory into practice. Among the most significant and prevalent problems:

- (1) Obsession of the business press to uncover a mystical and recondite explanation for Japan's recent domination (e.g., quality control circles). Recognize that typically the tendency to overgeneralize or arrive at the "simple reason why" is greatest when the pressure to arrive at an understanding is also at the highest.

- (2) Writers' efforts to portray all Japanese firms as utilizing one universal style of management (e.g., "This is what I observed in Japan. All Japanese companies are . . ."). In point of fact, practices often vary tremendously among organizations in Japan; this divergence is largely the result of environmental settings, resource positions and distinctive competencies unique to each firm.
- (3) Subjective interpretations of management terminology (e.g., one author may characterize a specific company as having a top-down, centralized organization structure while another may picture that same firm as bottom-up and decentralized).
- (4) Primary concerns of some writers to gain notoriety and financial success, rather than to conduct a thorough analysis of the data and report the facts.
- (5) Studies that have centered on the highly successful firms in Japan while almost completely ignoring the marginal firms, their characteristics, and the reasons for their demise. It should be noted that, as is the case within the U.S., Japanese businesses are occasionally liquidated. In fact, both nations have been reporting near-record levels of bankruptcy. According to widely circulated reports, more than 8,600 failures totalling \$6.5 billion occurred in Japan during the first half of 1981.
- (6) Reporting only the most spectacular successes of the Japanese, thereby setting unrealistically high expectations in the minds of U.S. executives considering the initiation of Japanese management practices within their firms.

Many would add "cultural differences" to the above list of limitations, while a seemingly equal number of scholars reject this very argument. Given that we still lack an operational definition for the term "culture" in this context (there is no consensus, for example, on whether the focus should be on national, regional, or organizational factors—or some as yet unspecified combination of these), it is hardly surprising that neither side has produced any conclusive evidence to support its contentions. Our own analysis, based on interviews and studies of business practices and the industrial environment in both countries, strongly supports the somewhat less than startling conclusion that there are both striking similarities and important differences.

Japan is *not* the monolithic industrial machine pursuing with single-minded dedication a universally agreed-on set of objectives suggested by the sobriquet, "Japan, Inc." Japanese firms compete vigorously with each other, as they do with foreign companies; leadership styles and decision-making approaches vary greatly among individual executives and firms. On the other hand, Japanese industrial society lacks the confrontational attitude that seems so deeply engrained in contemporary America and that appears to dominate so many aspects of government-business and labor-management relations. There are substantial differences in private-sector financing/stock ownership patterns which in turn appear to contribute to a far greater emphasis on, and concern for, long-range results among Japanese leaders than is true for many of their American counterparts.

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## A NOTE OF CAUTION

These observations lead to what is perhaps the most compelling reason for exercising great caution in emulating the Japanese: such a course is likely to be inherently self-defeating. It is currently fashionable to attribute Japan's industrial success to its having adopted and perfected U.S. techniques. This, of course, is precisely what the Japanese did *not* do.

To be sure, the Japanese did in fact study very carefully the most successful American organizations—and, for that matter, the business, economic, and political systems of leading industrial nations throughout the world. But then, and this is the crucial point, they refused to pattern themselves precisely after the U.S. or any other single model. The Japanese government and national economy, and the underlying financial and other institutions, did not duplicate those systems of the U.S. or any other nation, nor are its management practices extensions of what they found in Detroit, Chicago, or Pittsburgh.

The genius of the Japanese lay in creating a new, uniquely Japanese approach that borrowed freely—perhaps heavily at times—but that remained essentially Japanese in character. The Japanese have, as a result, developed systems that make use, where appropriate, of the techniques and methods conceived by others, but whose essence is the ability to focus the inherent strengths of Japan's material and human resources toward the problems of late 20th century industrial and commercial conditions. Japanese leaders—government and industrial—properly concluded that only a uniquely Japanese system would be most advantageous for Japanese organizations, and that approaches developed elsewhere, no matter how effective in their home cultures, needed modification to meet Japan's needs and conditions. Any other approach would have run the serious risk of leaving Japan in the position of perpetual runner-up and of competing for world markets by using techniques already implemented by their originators. The Japanese have learned this well, and American

managers should do no less. This is *not* the time to emulate the Japanese. It *is* time to borrow from the Japanese (just as they have and will continue to borrow from us)—but to do so very selectively with a view toward adopting a system which is appropriate for the specific organization and “culture” in question.

The consequences of “going Japanese” on the basis of the incomplete, sometimes inconsistent, and often inaccurate descriptions of a “typical” Japanese firm is highly predictable. Managers who begin with a “solution” (such as quality control circles or a ringi-style approach to decision-making) rather than with a thorough understanding of their needs should expect confusion and delay in implementing these systems at best and a deterioration in organizational performance at worst.

The decision is not, as some writers would have us believe, whether to adopt Japanese management techniques; the solution to the problem instead depends on exactly what it has depended on for decades:

- (1) identification of the organization's objectives and assessment of its resources.
- (2) examination and comprehensive understanding of the environment in which the firm will operate.
- (3) selection and blending of those approaches that most closely meet the organization's specific needs.
- (4) recognition that no management system can simply be put in place and left there. Results must be monitored continuously, and new modified managerial methods adopted as the situation dictates.

Understanding Japanese management can extend very usefully the range of available techniques from which a manager can choose, but applied carelessly or improperly, they can convert a serious management problem into an unmitigated disaster.

## REFERENCE

Pascale, R. T. and A. G. Athos (1981), *The Art of Japanese Management*, New York: Warner Books, Inc.

## DIRECTORY OF COLORADO MANUFACTURERS

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**COLORADO BUSINESS INDICATORS**  
(Figures in Thousands Unless Otherwise Indicated)

|                                                                           | October<br>1983 | September<br>1983 | October<br>1982 | Percent Change<br>October 1983 from<br>September 1983      October<br>1982 |       |
|---------------------------------------------------------------------------|-----------------|-------------------|-----------------|----------------------------------------------------------------------------|-------|
| Total Civilian Labor Force (by place of residence) <sup>a</sup> . . . . . | 1,661.5         | 1,663.4           | 1,598.0         | - 0.1                                                                      | 4.0   |
| Unemployment . . . . .                                                    | 94.7            | 98.9              | 132.5           | - 4.2                                                                      | -28.5 |
| Unemployment Rate (percent) . . . . .                                     | 5.7             | 5.9               | 8.3             | —                                                                          | —     |
| Employment . . . . .                                                      | 1,566.8         | 1,564.5           | 1,465.5         | 0.1                                                                        | 6.9   |
| Nonagricultural Wage and Salary . . . . .                                 | 1,522.8         | 1,517.3           | 1,421.0         | 0.4                                                                        | 7.2   |
| Agricultural . . . . .                                                    | 44.0            | 47.2              | 44.5            | - 6.8                                                                      | - 1.1 |
| <b>Total Nonagricultural Wage and Salary</b>                              |                 |                   |                 |                                                                            |       |
| Employment (by place of work) <sup>a</sup> . . . . .                      | 1,350.3         | 1,346.7           | 1,313.9         | 0.3                                                                        | 2.8   |
| Mining . . . . .                                                          | 39.2            | 39.6              | 41.1            | - 1.0                                                                      | - 4.6 |
| Metallic Minerals . . . . .                                               | 5.9             | 5.9               | 6.9             | 0.0                                                                        | -14.5 |
| Bituminous Coal, Lignite, and Nonmetallic . . . . .                       | 4.4             | 4.5               | 4.9             | - 2.2                                                                      | -10.2 |
| Oil and Gas Extraction . . . . .                                          | 29.0            | 29.2              | 29.3            | - 0.7                                                                      | - 1.0 |
| Contract Construction . . . . .                                           | 88.8            | 89.7              | 81.1            | - 1.0                                                                      | 9.5   |
| Manufacturing . . . . .                                                   | 183.3           | 182.2             | 179.9           | 0.6                                                                        | 1.9   |
| Lumber, Wood Products, and Furniture . . . . .                            | 6.8             | 6.9               | 6.4             | - 1.4                                                                      | 6.3   |
| Stone, Clay, Glass, and Concrete Products . . . . .                       | 9.8             | 9.9               | 9.8             | - 1.0                                                                      | 0.0   |
| Primary and Fabricated Metals . . . . .                                   | 14.3            | 14.2              | 14.6            | 0.7                                                                        | - 2.1 |
| Machinery, Except Electrical . . . . .                                    | 27.1            | 26.7              | 25.2            | 1.5                                                                        | 7.5   |
| Electric and Electronic Equipment . . . . .                               | 17.5            | 17.4              | 17.0            | 0.6                                                                        | 2.9   |
| Transportation Equipment . . . . .                                        | 13.5            | 13.6              | 14.3            | - 0.7                                                                      | - 5.6 |
| Other Durable Goods . . . . .                                             | 28.1            | 27.8              | 27.7            | 1.1                                                                        | 1.4   |
| Food and Kindred Products . . . . .                                       | 24.5            | 24.3              | 24.6            | 0.8                                                                        | - 0.4 |
| Textiles and Apparel . . . . .                                            | 3.4             | 3.4               | 3.1             | 0.0                                                                        | 9.7   |
| Paper and Allied Products . . . . .                                       | 2.1             | 2.1               | 2.0             | 0.0                                                                        | 5.0   |
| Printing and Publishing . . . . .                                         | 19.5            | 19.3              | 18.8            | 1.0                                                                        | 3.7   |
| Chemicals and Allied Products . . . . .                                   | 8.0             | 7.9               | 7.6             | 1.3                                                                        | 5.3   |
| Other Nondurable Goods . . . . .                                          | 8.8             | 8.9               | 8.6             | - 1.1                                                                      | 2.3   |
| Finance, Insurance, and Real Estate . . . . .                             | 86.2            | 86.2              | 83.4            | 0.0                                                                        | 3.4   |
| Banking . . . . .                                                         | 21.2            | 20.9              | 21.4            | 1.4                                                                        | - 0.9 |
| Credit Agencies Other than Banks . . . . .                                | 13.4            | 13.4              | 12.8            | 0.0                                                                        | 4.7   |
| Insurance Carriers, Agents, and Brokers . . . . .                         | 20.6            | 20.5              | 20.4            | 0.5                                                                        | 1.0   |
| Real Estate and Combination Offices . . . . .                             | 22.4            | 22.7              | 21.3            | - 1.3                                                                      | 5.2   |
| Other Finance, Insurance, and Real Estate . . . . .                       | 8.6             | 8.7               | 7.5             | - 1.1                                                                      | 14.7  |
| Transportation and Public Utilities . . . . .                             | 84.2            | 85.4              | 85.3            | - 1.4                                                                      | - 1.3 |
| Railroad Transportation . . . . .                                         | 5.7             | 5.7               | 5.9             | 0.0                                                                        | - 3.4 |
| Trucking and Warehousing . . . . .                                        | 17.3            | 17.2              | 17.4            | 0.6                                                                        | - 0.6 |
| Air Transportation . . . . .                                              | 14.0            | 15.5              | 14.1            | - 9.7                                                                      | - 0.7 |
| Other Transportation . . . . .                                            | 6.5             | 6.5               | 6.6             | 0.0                                                                        | - 1.5 |
| Communications, Electric, Gas, and Sanitary Services . . . . .            | 40.6            | 40.6              | 41.2            | 0.0                                                                        | - 1.5 |
| Trade . . . . .                                                           | 330.7           | 330.4             | 322.5           | 0.1                                                                        | 2.5   |
| Wholesale Trade . . . . .                                                 | 82.3            | 81.7              | 81.0            | 0.7                                                                        | 1.6   |
| Retail Trade . . . . .                                                    | 248.4           | 248.6             | 241.4           | - 0.1                                                                      | 3.0   |
| Services . . . . .                                                        | 289.4           | 291.1             | 277.1           | - 0.6                                                                      | 4.4   |
| Lodging and Combination Lodging/Eating Places . . . . .                   | 26.1            | 27.0              | 25.1            | - 3.3                                                                      | 4.0   |
| Personal Services . . . . .                                               | 15.2            | 15.1              | 14.2            | 0.7                                                                        | 7.0   |
| Business Services . . . . .                                               | 58.6            | 58.5              | 52.9            | 0.2                                                                        | 10.8  |
| Auto and Miscellaneous Repair Services . . . . .                          | 14.7            | 14.7              | 14.2            | 0.0                                                                        | 3.5   |
| Amusements and Recreation . . . . .                                       | 17.4            | 18.7              | 15.2            | - 7.0                                                                      | 14.5  |
| Health Services . . . . .                                                 | 73.8            | 74.0              | 73.0            | - 0.3                                                                      | 1.1   |
| Educational Services . . . . .                                            | 10.7            | 9.7               | 10.6            | 10.3                                                                       | 0.9   |
| Membership Organizations . . . . .                                        | 19.5            | 19.8              | 19.6            | - 1.5                                                                      | - 0.5 |
| Other Services . . . . .                                                  | 53.3            | 53.4              | 52.2            | - 0.2                                                                      | 2.1   |
| Government . . . . .                                                      | 248.5           | 242.0             | 243.7           | 2.7                                                                        | 2.0   |
| Federal . . . . .                                                         | 53.1            | 53.3              | 51.2            | - 0.4                                                                      | 3.7   |
| State . . . . .                                                           | 59.6            | 55.8              | 58.8            | 6.8                                                                        | 1.4   |
| Local . . . . .                                                           | 135.8           | 133.0             | 133.6           | 2.1                                                                        | 1.6   |

|                                                                         | October<br>1983 | September<br>1983 | October<br>1982 | Percent Change<br>October 1983 from<br>September 1983    October<br>1982 |       |
|-------------------------------------------------------------------------|-----------------|-------------------|-----------------|--------------------------------------------------------------------------|-------|
| <b>Average Weekly Hours</b>                                             |                 |                   |                 |                                                                          |       |
| Construction . . . . .                                                  | 39.7            | 40.7              | 37.8            | - 2.5                                                                    | 5.0   |
| Manufacturing . . . . .                                                 | 40.5            | 40.6              | 39.1            | - 0.2                                                                    | 3.6   |
| Durable Goods . . . . .                                                 | 41.1            | 41.1              | 39.9            | 0.0                                                                      | 3.0   |
| Nondurable Goods . . . . .                                              | 39.5            | 40.0              | 38.0            | - 1.3                                                                    | 3.9   |
| <b>Average Weekly Earnings (\$)</b>                                     |                 |                   |                 |                                                                          |       |
| Construction . . . . .                                                  | 522.85          | 545.79            | 511.06          | - 4.2                                                                    | 2.3   |
| Manufacturing . . . . .                                                 | 363.69          | 366.62            | 337.43          | - 0.8                                                                    | 7.8   |
| Durable Goods . . . . .                                                 | 377.30          | 379.76            | 352.32          | - 0.6                                                                    | 7.1   |
| Nondurable Goods . . . . .                                              | 341.67          | 348.40            | 316.16          | - 1.9                                                                    | 8.1   |
| Initial Unemployment Claims (000) . . . . .                             | 15.1            | 15.0              | 21.0            | 0.7                                                                      | -28.1 |
| Bankruptcies, All Types (number) . . . . .                              | 460             | 525               | 565             | -12.4                                                                    | -18.6 |
| Total State Revenue (\$000) . . . . .                                   | 405,171         | 550,011           | 221,557         | -26.3                                                                    | 82.9  |
| Total State Expenditures (\$000) . . . . .                              | 433,010         | 548,222           | 331,707         | -21.0                                                                    | 30.5  |
| Crude Oil Production (thous. bbls.) . . . . .                           | 2,459           | 2,528             | 2,534           | - 2.7                                                                    | - 3.0 |
| Dry Gas Production (mil. cu. ft.) . . . . .                             | 9,860           | 10,374            | 12,615          | - 5.0                                                                    | -21.8 |
| Coal Production . . . . .                                               | 1,379.3         | 1,383.2           | 1,417.6         | - 0.3                                                                    | - 2.7 |
| New Oil and Gas Wells (number) . . . . .                                | 193             | 166               | 142             | 16.3                                                                     | 35.9  |
| Natural Gas Used (bil. cu. ft.) . . . . .                               | 11.9            | 6.0               | 13.1            | 98.3                                                                     | - 9.2 |
| Electrical Power Sales (mil. kwh)                                       |                 |                   |                 |                                                                          |       |
| Residential . . . . .                                                   | 466.1*          | 503.4             | 462.4           | - 7.4                                                                    | 0.8   |
| Nonresidential . . . . .                                                | 1,003.7*        | 1,210.8           | 948.6           | -17.1                                                                    | 5.8   |
| <b>New Construction, 122 places</b>                                     |                 |                   |                 |                                                                          |       |
| Residential permits (number) . . . . .                                  | 2,438           | 2,961             | 1,941           | -17.7                                                                    | 25.6  |
| Residential value (\$000) . . . . .                                     | 176,409         | 206,190           | 131,391         | -14.4                                                                    | 34.3  |
| Nonresidential permits (number) . . . . .                               | 438             | 432               | 292             | 1.4                                                                      | 50.0  |
| Nonresidential value (\$000) . . . . .                                  | 83,286          | 91,987            | 71,668          | - 9.5                                                                    | 16.2  |
| Highway Contractor Payments (\$000) . . . . .                           | 17,469          | 15,453            | 9,255           | 13.0                                                                     | 88.8  |
| Savings and Loan Net New Savings (\$000) <sup>b</sup> . . . . .         | -1,000          | -57,600           | -64,900         | —                                                                        | —     |
| National Park Recreational Visits—10 Areas (000) <sup>b</sup> . . . . . | 380.8           | 1,004.0           | 342.3           | -62.1                                                                    | 11.2  |
| Motor Vehicle Title Applications (000) . . . . .                        | 90.2            | 107.2             | 99.5            | -15.9                                                                    | - 9.3 |
| Highway Vehicle Traffic Counts at Border                                |                 |                   |                 |                                                                          |       |
| Stations (daily average) . . . . .                                      | 35,820*         | 41,779*           | 37,222          | -14.3                                                                    | - 3.8 |
| Air Passengers, Stapleton (000) <sup>c</sup> . . . . .                  | 1,854           | 1,927             | 1,902           | - 3.8                                                                    | - 2.5 |
| Air Freight and Air Express, Stapleton (thous. lbs.) . . . . .          | 27,198          | 30,469            | 28,311          | -10.7                                                                    | - 3.9 |
| <b>Prices Received by Farmers (\$)</b>                                  |                 |                   |                 |                                                                          |       |
| Beef Cattle (per cwt) . . . . .                                         | 57.20           | 57.30             | 58.30           | - 0.2                                                                    | - 1.9 |
| Lamb (per cwt) . . . . .                                                | 51.80           | 47.90             | 50.40           | 8.1                                                                      | 2.8   |
| Wheat (per bu.) . . . . .                                               | 3.28            | 3.31              | 3.26            | - 0.9                                                                    | 0.6   |
| Corn (per bu.) . . . . .                                                | 3.14            | 3.15              | 2.33            | - 0.3                                                                    | 34.8  |
| Potatoes (per cwt) . . . . .                                            | 4.95            | 6.85              | 4.25r           | -27.7                                                                    | 16.5  |
| Wool . . . . .                                                          | .60             | .60               | .54r            | 0.0                                                                      | 11.1  |

NOTES: An asterisk (\*) indicates preliminary data subject to revision.  
Revised data are marked (r).  
n.r.—not reported.

<sup>a</sup>Employment figures have been updated to a December 1981 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a March 1981 benchmark. Thus, these data are not comparable to that published prior.

<sup>b</sup>New series, thus figures are not comparable to those previously published.

<sup>c</sup>Includes scheduled airlines, commuter airlines, and charter passengers.

Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from 17 individual companies.

New Construction from Bureau of the Census, U.S. Department of Commerce.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

Recreational Visits from National Park Service, Denver.

Highway Traffic counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Referee in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

**LOCAL BUSINESS CONDITIONS**  
(All Figures in Thousands)

|                                             | October<br>1983 | September<br>1983 | October<br>1982 |                                           | October<br>1983 | September<br>1983 | October<br>1982 |
|---------------------------------------------|-----------------|-------------------|-----------------|-------------------------------------------|-----------------|-------------------|-----------------|
| <b>ALAMOSA (1982 pop. 7,182)</b>            |                 |                   |                 | <b>DENVER (1982 pop. 500,600)</b>         |                 |                   |                 |
| Electric Power (kwh) . . . .                | 3,050           | 3,138             | 3,304           | Electric Power (kwh) . . . .              | 356,824         | 367,136           | 328,674         |
| Constr. (\$)—Res. . . . .                   | 60              | 0                 | 222             | Constr. (\$)—Res. . . . .                 | 12,731          | 12,845            | 6,476           |
| —Nonres. . . . .                            | 0               | 0                 | 20              | —Nonres. . . . .                          | 8,113           | 6,326             | 30,728          |
| Deposits (\$) (2 of 2 banks)                | 54,195          | 52,890            | 47,330          | Deposits (\$) (40 of 45 banks)            | 7,084,589*      | 7,309,808         | 6,528,080       |
| <b>ARVADA (1982 pop. 91,262)</b>            |                 |                   |                 | <b>DURANGO (1982 pop. 12,276)</b>         |                 |                   |                 |
| Electric Power (kwh) . . . .                | 27,773          | 30,065            | 26,134          | Electric Power (kwh) . . . .              | 6,567           | 5,964             | 6,596           |
| Constr. (\$)—Res. . . . .                   | 4,066           | 2,682             | 397             | Constr. (\$)—Res. . . . .                 | 72              | 359               | 71              |
| —Nonres. . . . .                            | 350             | 948               | 109             | —Nonres. . . . .                          | 2,081           | 239               | 22              |
| Deposits (\$) (4 of 5 banks)                | 113,527         | 111,493           | 92,152          | Deposits (\$) (3 of 3 banks)              | 138,289         | 140,954           | 119,617         |
| <b>ASPEN (1982 pop. 4,081)</b>              |                 |                   |                 | <b>ENGLEWOOD (1982 pop. 30,555)</b>       |                 |                   |                 |
| Electric Power (kwh) . . . .                | 2,544           | 2,635             | 3,134           | Electric Power (kwh) . . . .              | 21,773          | 23,970            | 19,128          |
| Constr. (\$)—Res. . . . .                   | 400             | 0                 | 100             | Constr. (\$)—Res. . . . .                 | 295             | 198               | 128             |
| —Nonres. . . . .                            | 0               | 1,090             | 2,180           | —Nonres. . . . .                          | 532             | 2,596             | 365             |
| Deposits (\$) (2 of 3 banks)                | 74,375          | 78,781            | 75,625          | Deposits (\$) (7 of 12 banks)             | 422,988         | 427,465           | 347,049         |
| <b>AURORA (1982 pop. 178,665)</b>           |                 |                   |                 | <b>ESTES PARK (1982 pop. 2,934)</b>       |                 |                   |                 |
| Electric Power (kwh) . . . .                | 80,624          | 100,533           | 76,528          | Electric Power (kwh) . . . .              | 4,295           | 4,701             | 4,533           |
| Constr. (\$)—Res. . . . .                   | 20,960          | 24,412            | 34,550          | Constr. (\$)—Res. . . . .                 | 448             | 502               | 0               |
| —Nonres. . . . .                            | 975             | 4,899             | 2,482           | —Nonres. . . . .                          | 0               | 0                 | 200             |
| Deposits (\$) (10 of 14 banks)              | 275,114*        | 278,941           | 206,309         | Deposits (\$) (2 of 2 banks)              | 43,850          | 44,849            | 38,916          |
| <b>BOULDER (1982 pop. 80,651)</b>           |                 |                   |                 | <b>FORT COLLINS (1982 pop. 68,307)</b>    |                 |                   |                 |
| Electric Power (kwh) . . . .                | 55,032          | 62,973            | 46,159          | Electric Power (kwh) . . . .              | 37,949          | 48,386            | 37,028          |
| Constr. (\$)—Res. . . . .                   | 2,859           | 7,237             | 2,202           | Constr. (\$)—Res. . . . .                 | 5,116           | 4,722             | 2,482           |
| —Nonres. . . . .                            | 2,350           | 2,775             | 2,240           | —Nonres. . . . .                          | 650             | 391               | 282             |
| Deposits (\$) (10 of 10 banks)              | 592,979*        | 599,889           | 486,326         | Deposits (\$) (8 of 8 banks)              | 415,545         | 418,166           | 381,142         |
| <b>BRIGHTON (1982 pop. 13,239)</b>          |                 |                   |                 | <b>FORT MORGAN (1982 pop. 8,913)</b>      |                 |                   |                 |
| Electric Power (kwh) . . . .                | 4,659           | 5,383             | 4,855           | Electric Power (kwh) . . . .              | 6,163           | 8,611             | 6,874           |
| Constr. (\$)—Res. . . . .                   | 567             | 0                 | 0               | Constr. (\$)—Res. . . . .                 | 23              | 364               | 0               |
| —Nonres. . . . .                            | 90              | 940               | 36              | —Nonres. . . . .                          | 0               | 0                 | 0               |
| Deposits (\$) (2 of 2 banks)                | n.r.            | 63,210            | 52,142          | Deposits (\$) (3 of 3 banks)              | 100,076         | 99,837            | 89,393          |
| <b>BROOMFIELD (1982 pop. 22,452)</b>        |                 |                   |                 | <b>GLENWOOD SPRINGS (1982 pop. 5,000)</b> |                 |                   |                 |
| Electric Power (kwh) . . . .                | 9,851           | 9,545             | 6,966           | Electric Power (kwh) . . . .              | 5,014           | 4,900             | 4,337           |
| Constr. (\$)—Res. . . . .                   | 1,246           | 3,176             | 130             | Constr. (\$)—Res. . . . .                 | 120             | 340               | 299             |
| —Nonres. . . . .                            | 322             | 0                 | 561             | —Nonres. . . . .                          | 217             | 0                 | 433             |
| Deposits (\$) (2 of 2 banks)                | 64,960          | 65,028            | 53,192          | Deposits (\$) (3 of 3 banks)              | 131,034         | 127,046           | 117,868         |
| <b>CANON CITY (1982 pop. 13,576)</b>        |                 |                   |                 | <b>GOLDEN (1982 pop. 13,109)</b>          |                 |                   |                 |
| Electric Power (kwh) . . . .                | 23,818          | 24,962            | 23,916          | Electric Power (kwh) . . . .              | 5,776           | 6,090             | 5,789           |
| Constr. (\$)—Res. . . . .                   | 185             | 259               | 0               | Constr. (\$)—Res. . . . .                 | 122             | 601               | 57              |
| —Nonres. . . . .                            | 8               | 0                 | 0               | —Nonres. . . . .                          | 0               | 0                 | 0               |
| Deposits (\$) (3 of 3 banks)                | 112,819         | 111,422           | 101,996         | Deposits (\$) (3 of 3 banks)              | 163,393         | 159,217           | 129,702         |
| <b>COLORADO SPRINGS (1982 pop. 230,553)</b> |                 |                   |                 | <b>GRAND JUNCTION (1982 pop. 32,082)</b>  |                 |                   |                 |
| Electric Power (kwh) . . . .                | 159,414         | 168,144           | 156,092         | Electric Power (kwh) . . . .              | 20,876          | 23,319            | 18,748          |
| Constr. (\$)—Res. . . . .                   | 33,133          | 41,046            | 15,968          | Constr. (\$)—Res. . . . .                 | 110             | 1,542             | 302             |
| —Nonres. . . . .                            | 14,994          | 18,063            | 14,890          | —Nonres. . . . .                          | 291             | 9,911             | 1,830           |
| Deposits (\$) (17 of 20 banks)              | 985,307*        | 1,005,242*        | 891,665         | Deposits (\$) (5 of 5 banks)              | 340,283         | 335,520           | 348,304         |
| <b>COMMERCE CITY (1982 pop. 16,412)</b>     |                 |                   |                 | <b>GREELEY (1982 pop. 54,063)</b>         |                 |                   |                 |
| Electric Power (kwh) . . . .                | 23,758          | 27,602            | 33,939          | Electric Power (kwh) . . . .              | 22,600          | 30,688            | 24,243          |
| Constr. (\$)—Res. . . . .                   | 0               | 30                | 280             | Constr. (\$)—Res. . . . .                 | 966             | 2,627             | 281             |
| —Nonres. . . . .                            | 0               | 805               | 84              | —Nonres. . . . .                          | 68              | 43                | 481             |
| Deposits (\$) (1 of 1 bank)                 | 28,860          | 27,363            | 26,098          | Deposits (\$) (9 of 9 banks)              | 482,887         | 484,681           | 415,353         |
| <b>CORTEZ (1982 pop. 7,489)</b>             |                 |                   |                 | <b>GUNNISON (1982 pop. 6,031)</b>         |                 |                   |                 |
| Electric Power (kwh) . . . .                | 3,406           | 3,817             | 2,352           | Electric Power (kwh) . . . .              | 3,736           | 3,330             | 3,807           |
| Constr. (\$)—Res. . . . .                   | 81              | 136               | 44              | Constr. (\$)—Res. . . . .                 | 0               | 32                | 0               |
| —Nonres. . . . .                            | 75              | 45                | 162             | —Nonres. . . . .                          | 495             | 495               | 0               |
| Deposits (\$) (3 of 3 banks)                | 95,642          | 91,051            | 84,354          | Deposits (\$) (2 of 2 banks)              | 52,055          | 52,367            | 47,110          |
| <b>CRAIG (1982 pop. 10,000)</b>             |                 |                   |                 | <b>LA JUNTA (1982 pop. 8,338)</b>         |                 |                   |                 |
| Electric Power (kwh) . . . .                | 3,985           | 4,210             | 3,588           | Electric Power (kwh) . . . .              | 4,571           | 5,094             | 4,362           |
| Constr. (\$)—Res. . . . .                   | 0               | 0                 | 92              | Constr. (\$)—Res. . . . .                 | 50              | 60                | 85              |
| —Nonres. . . . .                            | 40              | 0                 | 0               | —Nonres. . . . .                          | 0               | 0                 | 0               |
| Deposits (\$) (2 of 2 banks)                | 64,164          | 63,670            | 74,783          | Deposits (\$) (2 of 2 banks)              | 57,173          | 55,860            | 49,727          |



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LOCAL BUSINESS CONDITIONS—Continued

|                                         | October<br>1983 | September<br>1983 | October<br>1982 |                                | October<br>1983 | September<br>1983 | October<br>1982 |
|-----------------------------------------|-----------------|-------------------|-----------------|--------------------------------|-----------------|-------------------|-----------------|
| LAFAYETTE (1982 pop. 10,115)            |                 |                   |                 | ROCKY FORD (1982 pop. 4,574)   |                 |                   |                 |
| Electric Power (kwh) . . . .            | 2,550           | 2,826             | 2,427           | Electric Power (kwh) . . . .   | 5,827           | 6,802             | 5,435           |
| Constr. (\$)—Res. . . . .               | 328             | 1,277             | 614             | Constr. (\$)—Res. . . . .      | 0               | 0                 | 0               |
| —Nonres. . . . .                        | 407             | 0                 | 0               | —Nonres. . . . .               | 0               | 0                 | 8               |
| Deposits (\$) (1 of 1 bank)             | 16,764          | 17,066            | 15,552          | Deposits (\$) (1 of 2 banks)   | 15,021          | 15,114            | 13,609          |
| LAKEWOOD (1982 pop. 117,436)            |                 |                   |                 | SALIDA (1982 pop. 4,478)       |                 |                   |                 |
| Electric Power (kwh) . . . .            | 65,139          | 60,441            | 56,371          | Electric Power (kwh) . . . .   | 1,703           | 1,553             | 1,490           |
| Constr. (\$)—Res. . . . .               | 3,751           | 7,843             | 8,880           | Constr. (\$)—Res. . . . .      | 0               | 67                | 0               |
| —Nonres. . . . .                        | 2,385           | 8,417             | 0               | —Nonres. . . . .               | 0               | 0                 | 0               |
| Deposits (\$) (12 of 12 banks)          | 547,102*        | 571,106           | 500,593         | Deposits (\$) (2 of 2 banks)   | 39,932          | 39,072            | 40,118          |
| LAMAR (1982 pop. 7,793)                 |                 |                   |                 | STERLING (1982 pop. 11,470)    |                 |                   |                 |
| Electric Power (kwh) . . . .            | 6,491           | 9,743             | 5,902           | Electric Power (kwh) . . . .   | 6,043           | 7,215             | 6,636           |
| Constr. (\$)—Res. . . . .               | 127             | 169               | 0               | Constr. (\$)—Res. . . . .      | 0               | 49                | 0               |
| —Nonres. . . . .                        | 35              | 0                 | 380             | —Nonres. . . . .               | 0               | 0                 | 221             |
| Deposits (\$) (2 of 2 banks)            | 82,608          | 82,469            | 71,083          | Deposits (\$) (3 of 3 banks)   | 147,613         | 142,434           | 132,968         |
| LITTLETON (1982 pop. 30,001)            |                 |                   |                 | THORNTON (1982 pop. 44,130)    |                 |                   |                 |
| Electric Power (kwh) . . . .            | 16,635          | 18,184            | 13,556          | Electric Power (kwh) . . . .   | 17,090          | 17,366            | 14,866          |
| Constr. (\$)—Res. . . . .               | 1,468           | 1,926             | 1,838           | Constr. (\$)—Res. . . . .      | 8,794           | 2,710             | 703             |
| —Nonres. . . . .                        | 1,251           | 860               | 1,475           | —Nonres. . . . .               | 47              | 0                 | 0               |
| Deposits (\$) (9 of 11 banks)           | 182,214*        | 185,045*          | 192,310         | Deposits (\$) (1 of 1 bank)    | 28,249          | 27,811            | 24,232          |
| LONGMONT (1982 pop. 46,313)             |                 |                   |                 | TRINIDAD (1982 pop. 9,900)     |                 |                   |                 |
| Electric Power (kwh) . . . .            | 22,910          | 25,449            | 19,257          | Electric Power (kwh) . . . .   | 2,766           | 2,947             | 2,668           |
| Constr. (\$)—Res. . . . .               | 3,121           | 2,689             | 1,253           | Constr. (\$)—Res. . . . .      | 150             | 41                | 0               |
| —Nonres. . . . .                        | 455             | 2,631             | 0               | —Nonres. . . . .               | 0               | 0                 | 175             |
| Deposits (\$) (5 of 5 banks)            | 218,948         | 216,082           | 184,893         | Deposits (\$) (2 of 2 banks)   | 59,865          | 59,288            | 53,115          |
| LOUISVILLE (1982 pop. 6,067)            |                 |                   |                 | WESTMINSTER (1982 pop. 54,965) |                 |                   |                 |
| Electric Power (kwh) . . . .            | 9,823           | 10,340            | 8,959           | Electric Power (kwh) . . . .   | 22,988          | 23,739            | 17,558          |
| Constr. (\$)—Res. . . . .               | 826             | 1,260             | 5,170           | Constr. (\$)—Res. . . . .      | 7,966           | 6,472             | 5,514           |
| —Nonres. . . . .                        | 2,516           | 0                 | 864             | —Nonres. . . . .               | 1,335           | 727               | 600             |
| Deposits (\$) (2 of 2 banks)            | 28,110          | 29,133            | 19,223          | Deposits (\$) (3 of 3 banks)   | 106,412         | 102,523           | 88,184          |
| LOVELAND (1982 pop. 30,962)             |                 |                   |                 | WHEAT RIDGE (1982 pop. 31,743) |                 |                   |                 |
| Electric Power (kwh) . . . .            | 19,821          | 20,674            | 16,841          | Electric Power (kwh) . . . .   | 21,617          | 23,787            | 20,153          |
| Constr. (\$)—Res. . . . .               | 1,508           | 862               | 933             | Constr. (\$)—Res. . . . .      | 778             | 1,203             | 1,215           |
| —Nonres. . . . .                        | 618             | 0                 | 0               | —Nonres. . . . .               | 0               | 984               | 0               |
| Deposits (\$) (4 of 4 banks)            | 154,741         | 152,794           | 135,820         | Deposits (\$) (2 of 2 banks)   | 92,505          | 90,603            | 75,952          |
| MONTROSE (1982 pop. 8,895) <sup>b</sup> |                 |                   |                 |                                |                 |                   |                 |
| Constr. (\$)—Res. . . . .               | 30              | 187               | 64              |                                |                 |                   |                 |
| —Nonres. . . . .                        | 44              | 0                 | 72              |                                |                 |                   |                 |
| Deposits (\$) (3 of 3 banks)            | 117,483         | 116,338           | 106,298         |                                |                 |                   |                 |
| NORTHGLENN (1982 pop. 30,980)           |                 |                   |                 |                                |                 |                   |                 |
| Electric Power (kwh) . . . .            | 11,056          | 12,204            | 9,692           |                                |                 |                   |                 |
| Constr. (\$)—Res. . . . .               | 92              | 176               | 0               |                                |                 |                   |                 |
| —Nonres. . . . .                        | 180             | 1,383             | 0               |                                |                 |                   |                 |
| Deposits (\$) (2 of 3 banks)            | 68,815          | 68,884            | 58,809          |                                |                 |                   |                 |
| PUEBLO (1982 pop. 99,619)               |                 |                   |                 |                                |                 |                   |                 |
| Electric Power (kwh) . . . .            | 46,952          | 55,275            | 47,970          |                                |                 |                   |                 |
| Constr. (\$)—Res. . . . .               | 294             | 343               | 483             |                                |                 |                   |                 |
| —Nonres. . . . .                        | 721             | 388               | 322             |                                |                 |                   |                 |
| Deposits (\$) (8 of 9 banks)            | 405,008         | 395,194           | 361,342         |                                |                 |                   |                 |

<sup>a</sup>Regional figures.

<sup>b</sup>Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.

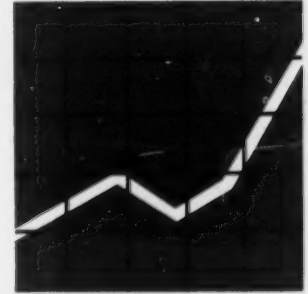
Construction figures are valuation of new residential and nonresidential construction only.

Deposit figures are total deposits in commercial banks as of last day of month.

n.r.—not reported

\*—preliminary data

r—revised data



# Colorado Business Review

BUSINESS RESEARCH DIVISION • GRADUATE SCHOOL OF BUSINESS ADMINISTRATION • UNIVERSITY OF COLORADO

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Volume LVII, Number 3, March 1984

# A Systematic Approach to Brand Name Development

Carlton A. Maile and Donna M. Bialik

Before 1900 few manufacturers advertised their consumer products in any consistent manner in the national media (Schutte 1969). This meant there was little need for brand names as we know them today. However, since the turn of the century, finding good brand names has become both important and problematic (Diamond 1959). Approximately 750,000 brand names are registered each year, and the number of available choices is shrinking.

Marketers disagree as to how fast this shrinkage is occurring. Some note that even the dictionary seems to be "running out of words" (*Sales Management* 1969). Others maintain that, despite the huge numbers of brand names previously used, there are still plenty of appropriate new ones to be found. They believe it is possible to establish productive guidelines for creating new brand name ideas (Collins 1970, Lippincott and Margulies 1961). This article reviews selected historical sources and suggests a systematic approach to developing new brand names.

## REVIEW OF THE LITERATURE

In early years, legal restrictions dictated the general types of names which were registrable as trademarks (Munn & Co. 1912). For example, coined words like Crisco and Celluloid were acceptable. So was a combination of words, which allowed for Black Cat hosiery and Yello Rose cigars. Numbers and combination of words could also be used in a fanciful or non-descriptive sense: Cat's Paw implied that rubber heels took a good grip on the turf; Bachelor's Friend suggested hosiery's lure for the opposite sex; and Arrow suggested that collars would remain straight and neat in appearance. Historical or mythological characters' names were acceptable, as with Venus lead pencils and Samson rope or flour. Initials or arbitrary numbers offered another category. There were E-Z canning jars, O.K. paper clips, and B-V-D's underwear. The business name of a person or firm could be used alone or in combination with other words, as with Gillette safety razors and Ediphone dictating equipment.

However, several types of names were and still are generally not eligible for registration. Words that describe the nature or quality of a product are considered everybody's property and therefore not legally protectable as the sole property of any individual or firm. Names like Good cigarettes or Big tires would probably be rejected under this guideline—even if they are misspelled. For example, Kantleek was refused registration as a name for hot water bottles, Mello as the brand name for a "mellow" chewing gum, and Elegancia (Spanish for "elegant") as a brand name for cigars. Registration of geographic names or terms is also restricted, so French couldn't be part of a trademark for paint or Yale a name for hosiery. The primary exceptions to this principle are names which have been used for

so long that the manufacturers have acquired a common law right to exclusive use, or names which probably would not be interpreted literally. For example, Vienna was accepted as a brand name for bread because no one expects bread made in Vienna, Austria to be sold in America. Exceptions like this tend further to blur the registration rules and increase the difficulty of brand name generation.

Brand names and their sources can be traced through a variety of references. Crowley (1974) lists brand names and the names of those who have registered them; Campbell (1964) traces the historical development of selected brand names. Volumes which describe the historical development of products or manufacturers often recite the history of pertinent brand names. For example, information about selected automobile brands is included in books devoted to antique autos, and Williamson (1952) describes name origins for selected brands of firearms. Advertising agencies' account profiles often list the history of a company's products and their brand names, and numerous magazine and journal articles reflect brand name origins. References like these are the basis for the current discussion.

Today, acceptable brand names include combinations of words and coined terms which may not appear in the dictionary and must be derived elsewhere, and "nonwords" or letter, character, and symbol combinations which are not officially a part of any language. Many words are not registrable under trademark law, and so thousands of dictionary entries are legally excluded from consideration as potential brand names. Because many otherwise acceptable dictionary entries do not meet criteria for a good or commercially profitable brand name, marketers need other sources.

## SELECTED BRAND NAME SOURCES

Several sources have been historically fruitful brand name sources. Each of these sources can be clarified with a brief description and selected examples.

### Celebrity Names

Many successful products are branded with the names of celebrities. French race car driver Louis Chevrolet's name appears on a line of General Motors cars. When the Lelands, a family of automotive engineers, developed their first luxury car for mass production, they named it Cadillac after the French explorer who discovered Detroit. Then they developed another luxury car and gave it the name of a president they admired, Abraham Lincoln.

### Inventor Names

Inventors' names constitute another important source. In the automobile industry the Ford was named for its inventor, Henry Ford, the classic Duesenberg after inventors Fritz and August Duesenberg, and the Oldsmobile after R. E. Olds. Scotsman Albert Champion gave his name to a famous line of spark plugs and his initials to the

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A. C. spark plug line. William and Andrew Smith popularized their product as Smith Brothers Cough Drops. When farm boy William Scholl became a physician interested in foot care, he invented arch supports and other products in a line of Dr. Scholl's foot aids.

### **Tribal Names and Social Structure**

Indian tribes and social structure have often furnished marketable names. The models of Piper Aircraft bear names like Navajo, Aztec, and Cherokee, and a motorhome manufacturer, Winnebago, took its corporate name from an Indian tribe and then relied on tribal social structure in selecting Chieftan and Brave for specific product models.

Other social terms can also be sources of brand names: Elite, Socialite, and Engenie are applied to a variety of products from cosmetics to undergarments.

### **Organizational Structure**

The organizational structure of American government and private firms can also provide a basis for selecting brand names. The Ambassador automobile takes its name from a top diplomatic rank, and President and Diplomat have long been favorites of hotel and motel chains. Executive and Secretary have been used for a variety of products from motels to typewriters.

### **Animal Names**

The names of animals and birds are often used. Pinto, Impala, Cougar and Mustang automobiles are well-known. The Bluebird microprocessor, Swan soap and White Owl cigars exemplify items named for actual birds, and the Thunderbird and Phoenix—mythical birds—have been used to name products from automobiles to jewelry.

Foreign animals and their homelands also provide brand name ideas. For example, when R. J. Reynolds was ready to launch the world's first blended cigarette, Oriental names were popular with tobacco smokers. A Turkish camel had come to town with the fanfare typical of the Barnum and Bailey Circus, and in commemoration of Turkish tobaccos in the new cigarettes, R. J. Reynolds chose Camel as the new brand name.

### **Favorable Associations**

Objects with favorable associations can also serve as brand name origins—items associated with the good old days of grandma's cooking and real honest value. A Minnesota grocer who produced an inexpensive maple flavored syrup believed Abraham Lincoln conveyed an old-fashioned home-spun image, but he was reluctant to use the former President's name for a syrup. He chose instead the type of home in which Honest Abe was reared, and his product became known as Log Cabin Syrup.

Other products are named after objects which suggest their color and shape: A new candy mint shaped like a circular life preserver was promptly named Life Savers. Even Bible verses have served as the source of brand names. When Proctor & Gamble perfected an especially pure white soap, Harley Proctor remembered his minister reading

from Psalms 45:8: "All thy garments smell of myrrh, and aloes, and cassia, out of the ivory palaces, whereby they have made thee glad." The new soap was christened Ivory.

### **Other Individuals, Companies, and Nicknames**

The names of relatives, customers, and retail outlets are also applied to products. When a young soda fountain employee concocted a new soft drink, customers teased him by calling it after his former employer—a physician named Dr. Pepper. Druggist Lunsford Richardson renamed his Croup and Pneumonia Cure Salve after his brother-in-law, Dr. Joshua Vick, and his product became Vick's VapoRub. When grocery salesman Joel Cheek decided to market his own blend of coffee, the product became popular at a famous southern hotel, the Maxwell House. The hotel's name was quickly associated with the new brand of coffee.

Nicknames are also occasionally registered as brand names. For example, a shortened version of Coca-Cola, or "Coc," was popularly pronounced as "Coke." Even though the manufacturer first resisted application of this folk label, it too was registered as an official brand name in 1920.

### **Song Titles and Historic Events**

Brand names are also derived from historic song titles and newsworthy events. The name of the first pancake mix was inspired by a popular vaudeville song which suggested good cooking to many of its listeners: "Aunt Jemima." A tea merchant capitalized on the completion of the transcontinental railroad in 1869 when he envisioned a chain of stores extending from coast to coast as the railroad had done: The Great Atlantic & Pacific Tea Company (or, later, A & P stores and products). In the 1870s a guest at Berry's Coffee Mill in London, who had bet heavily on a clipper ship race to reach London with the season's first cargo of tea, suggested that the name of the winning vessel should be applied to whiskey sold in that establishment. The winner was the Cutty Sark.

## **COLORADO BUSINESS REVIEW**

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## Types of Ingredients and Transportation

Product ingredients inspired an Atlanta pharmacist who needed a name for his newly invented soft drink. It contained "coca," the dried leaves of a South American shrub, and a kola nut extract known alliteratively as "cola." The resulting name was, of course, Coca-Cola. Murine's producers borrowed first and last syllables from the chemical name—muriate of burberine.

## Language Elements

Parts of speech can be a fertile source for potential brand names. Place names have been popular in some product categories. There have been Dixie dredges and Carolina mirrors. Mon-Ark boats were named to suggest a royal monarch and the location of Arkansas where they are manufactured. Verbs may indicate product use or function. Dash detergent suggests that it dashes the dirt away; a stylized version of spray-and-wash denotes a sequential procedure for using another brand of cleaning product. Adjectives can describe the result of using a product or service. Ultrabrite toothpaste suggests the color of a person's teeth after using this product. Sylvan recreational products have a name which suggests the solitude and independence of a sylvan retreat. Camay soap was meant to suggest that users would develop that cameo complexion which was widely admired in earlier decades.

Words from foreign languages have provided the names of many products intended for the American market. Brillo, Spanish for bright and shining or brilliant, has been applied to a popular scouring pad. Eldorado, meaning gilded place in Spanish, is used to denote a top-of-the-line Cadillac automobile.

Various combinations of syllables from any language can be used for coining brand names. When General Mills needed a name for the first prepared mix for making biscuits quickly, it combined the "bis" and the "quick" to form Bisquick. When pharmacist George Bunting developed a product that was reputed to "knock out eczema," it was popularized as Noxzema Skin Cream. When a New York-based cough medicine manufacturer brought out a dessert made from the glutinous material of animal bones the product resembled jelly in texture, and since "O" was a popular ending for the names of food products he named it Jell-O. Because a petroleum extract with alleged healing qualities was often stored in a vase during its developmental stages, and because "ine" was a popular ending for medical items, the final product was named Vaseline.

## Fixed-Length Symbol Combinations

Symbol combinations can be an additional source of new brand names. When the length is set arbitrarily at three, four, five or any other appropriate value, lists using numbers, letters and symbols can be generated manually or via computer. The computer approach is preferable in terms of speed and efficiency, because a computer can be programmed to generate all possible combinations of  $n$  letters, where  $n$  is any positive integer. (The number of combinations generated by this process can be predicted in advance. For example, when  $n=5$ , there are  $26^5$  mathematically possible combinations. This process generates  $26^n$   $n$ -letter words, but not all are good candidates for

brand names. The zzzzz's ttttt's, and all others composed of the same letter in all positions may be eliminated because they are difficult to pronounce.) Yet even after additional selection criteria are applied, thousands of words and "nonwords" remain as potentially acceptable brand names. The nonword "Exxon" was developed as a brand name for Standard Oil products through this type of computer generation process.

## Linguistic Processes

The manipulation of language structure via graphemics, morphemics, syntactics, semantics, aesthetics, and other linguistic processes is another potential means of name-source identification. Graphemics changes spelling, as in converting Quick Pack to Qik-Pak. Morphemics truncates, combines, or reassigns the "minimum meaningful elements in an utterance," as in clipping dormitory to dorm. Syntactics employs various techniques for compounding language elements, as in Skuff-Kote. Semantics selects names suggesting desirable product characteristics. For example, Cascade implies the sparkle and freshness of clean running water; Duz suggests accomplishment and success in the laundry process. Aesthetics can be utilized to embody rhyme and rhythm, figure, imagery, or symbolism. For example, the construction of Roll-A-Magic is designed to capitalize on the rhyming of magic and -matic while suggesting a combination of benefits associated with both.

## SUMMARY AND CONCLUSIONS

A historical perspective of brand name development suggests that marketers can utilize three approaches to developing a more systematic framework for name-source identification. These are (1) selecting miscellaneous sources which have historically been fruitful in producing names for the industry and type of product being branded; (2) generating all possible combinations of letters, numbers, and symbols; and (3) manipulating language structure in a predetermined manner via graphemics, morphemics, and other linguistic processes. These approaches can be substituted for current intuition, brainstorming, free-form association, and alleviate impending despair to facilitate more orderly and efficient brand name development.

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**COLORADO BUSINESS INDICATORS**  
(Figures in Thousands Unless Otherwise Indicated)

|                                                                           | November<br>1983 | October<br>1983 | November<br>1982 | Percent Change<br>November 1983 from |                  |
|---------------------------------------------------------------------------|------------------|-----------------|------------------|--------------------------------------|------------------|
|                                                                           |                  |                 |                  | October<br>1983                      | November<br>1982 |
| Total Civilian Labor Force (by place of residence) <sup>a</sup> . . . . . | 1,651.8          | 1,661.5         | 1,586.8          | - 0.6                                | 4.1              |
| Unemployment . . . . .                                                    | 90.1             | 94.7            | 135.7            | - 4.9                                | -33.6            |
| Unemployment Rate (percent) . . . . .                                     | 5.5              | 5.7             | 8.5              | —                                    | —                |
| Employment . . . . .                                                      | 1,561.7          | 1,566.8         | 1,451.1          | - 0.3                                | 7.6              |
| Nonagricultural Wage and Salary . . . . .                                 | 1,531.0          | 1,522.8         | 1,420.0          | 0.5                                  | 7.8              |
| Agricultural . . . . .                                                    | 30.7             | 44.0            | 31.1             | -30.2                                | - 1.3            |
| <b>Total Nonagricultural Wage and Salary</b>                              |                  |                 |                  |                                      |                  |
| Employment (by place of work) <sup>a</sup> . . . . .                      | 1,352.1          | 1,350.3         | 1,316.4          | 0.1                                  | 2.7              |
| Mining . . . . .                                                          | 39.2             | 39.2            | 40.8             | 0.0                                  | - 3.9            |
| Metallic Minerals . . . . .                                               | 5.9              | 5.9             | 6.7              | 0.0                                  | -11.9            |
| Bituminous Coal, Lignite, and Nonmetallic . . . . .                       | 4.3              | 4.4             | 4.8              | - 2.3                                | -10.4            |
| Oil and Gas Extraction . . . . .                                          | 29.0             | 29.0            | 29.4             | 0.0                                  | - 1.4            |
| Contract Construction . . . . .                                           | 88.2             | 88.8            | 79.6             | - 0.7                                | 10.8             |
| Manufacturing . . . . .                                                   | 183.4            | 183.3           | 178.8            | 0.1                                  | 2.6              |
| Lumber, Wood Products, and Furniture . . . . .                            | 6.7              | 6.8             | 6.4              | - 1.5                                | 4.7              |
| Stone, Clay, Glass, and Concrete Products . . . . .                       | 9.8              | 9.8             | 9.6              | 0.0                                  | 2.1              |
| Primary and Fabricated Metals . . . . .                                   | 14.4             | 14.3            | 14.5             | 0.7                                  | - 0.7            |
| Machinery, Except Electrical . . . . .                                    | 27.4             | 27.1            | 24.6             | 1.1                                  | 11.4             |
| Electric and Electronic Equipment . . . . .                               | 17.4             | 17.5            | 17.1             | - 0.6                                | 1.8              |
| Transportation Equipment . . . . .                                        | 13.4             | 13.5            | 14.1             | - 0.7                                | - 5.0            |
| Other Durable Goods . . . . .                                             | 28.1             | 28.1            | 27.9             | 0.0                                  | 0.7              |
| Food and Kindred Products . . . . .                                       | 24.3             | 24.5            | 23.9             | - 0.8                                | 1.7              |
| Textiles and Apparel . . . . .                                            | 3.5              | 3.4             | 3.2              | 2.9                                  | 9.4              |
| Paper and Allied Products . . . . .                                       | 2.1              | 2.1             | 2.0              | 0.0                                  | 5.0              |
| Printing and Publishing . . . . .                                         | 19.6             | 19.5            | 19.1             | 0.5                                  | 2.6              |
| Chemicals and Allied Products . . . . .                                   | 8.0              | 8.0             | 7.7              | 0.0                                  | 3.9              |
| Other Nondurable Goods . . . . .                                          | 8.9              | 8.2             | 8.8              | 1.1                                  | 1.1              |
| Finance, Insurance, and Real Estate . . . . .                             | 86.5             | 86.2            | 83.6             | 0.3                                  | 3.5              |
| Banking . . . . .                                                         | 21.3             | 21.2            | 21.4             | 0.5                                  | - 0.5            |
| Credit Agencies Other than Banks . . . . .                                | 13.5             | 13.4            | 12.9             | 0.7                                  | 4.7              |
| Insurance Carriers, Agents, and Brokers . . . . .                         | 20.6             | 20.6            | 20.4             | 0.0                                  | 1.0              |
| Real Estate and Combination Offices . . . . .                             | 22.4             | 22.4            | 21.4             | 0.0                                  | 4.7              |
| Other Finance, Insurance, and Real Estate . . . . .                       | 8.7              | 8.6             | 7.5              | 1.2                                  | 16.0             |
| Transportation and Public Utilities . . . . .                             | 83.9             | 84.2            | 85.0             | - 0.4                                | - 1.3            |
| Railroad Transportation . . . . .                                         | 5.7              | 5.7             | 5.8              | 0.0                                  | - 1.7            |
| Trucking and Warehousing . . . . .                                        | 17.4             | 17.3            | 17.3             | 0.6                                  | 0.6              |
| Air Transportation . . . . .                                              | 14.0             | 14.0            | 14.1             | 0.0                                  | - 0.7            |
| Other Transportation . . . . .                                            | 6.3              | 6.5             | 6.6              | - 3.1                                | - 4.5            |
| Communications, Electric, Gas, and Sanitary Services . . . . .            | 40.6             | 40.6            | 41.1             | 0.0                                  | - 1.2            |
| Trade . . . . .                                                           | 332.3            | 330.7           | 324.9            | 0.5                                  | 2.3              |
| Wholesale Trade . . . . .                                                 | 81.8             | 82.3            | 80.9             | - 0.6                                | 1.1              |
| Retail Trade . . . . .                                                    | 250.5            | 248.4           | 244.0            | 0.8                                  | 2.7              |
| Services . . . . .                                                        | 289.3            | 289.4           | 278.2            | - 0.0                                | 4.0              |
| Lodging and Combination Lodging/Eating Places . . . . .                   | 25.7             | 26.1            | 24.7             | - 1.5                                | 4.0              |
| Personal Services . . . . .                                               | 15.2             | 15.2            | 14.2             | 0.0                                  | 7.0              |
| Business Services . . . . .                                               | 58.6             | 58.6            | 52.9             | 0.0                                  | 10.8             |
| Auto and Miscellaneous Repair Services . . . . .                          | 14.7             | 14.7            | 14.2             | 0.0                                  | 3.5              |
| Amusements and Recreation . . . . .                                       | 18.1             | 17.4            | 16.9             | 4.0                                  | 7.1              |
| Health Services . . . . .                                                 | 73.5             | 73.8            | 72.7             | - 0.4                                | 1.1              |
| Educational Services . . . . .                                            | 11.0             | 10.7            | 11.0             | 2.8                                  | 0.0              |
| Membership Organizations . . . . .                                        | 19.6             | 19.5            | 19.8             | 0.5                                  | - 1.0            |
| Other Services . . . . .                                                  | 52.7             | 53.3            | 51.8             | - 1.1                                | 1.7              |
| Government . . . . .                                                      | 249.3            | 248.5           | 245.6            | 0.3                                  | 1.5              |
| Federal . . . . .                                                         | 52.9             | 53.1            | 51.2             | - 0.4                                | 3.3              |
| State . . . . .                                                           | 60.1             | 59.6            | 59.5             | 0.8                                  | 1.0              |
| Local . . . . .                                                           | 136.3            | 135.8           | 134.8            | 0.4                                  | 1.1              |



|                                                               | November<br>1983 | October<br>1983 | November<br>1982 | Percent Change<br>October 1983 from |                  |
|---------------------------------------------------------------|------------------|-----------------|------------------|-------------------------------------|------------------|
|                                                               |                  |                 |                  | October<br>1983                     | November<br>1982 |
| Average Weekly Hours                                          |                  |                 |                  |                                     |                  |
| Construction. . . . .                                         | 37.4             | 39.7            | 37.5             | - 5.8                               | - 0.3            |
| Manufacturing. . . . .                                        | 40.8             | 40.5            | 39.4             | 0.7                                 | 3.6              |
| Durable Goods . . . . .                                       | 41.3             | 41.1            | 39.9             | 0.5                                 | 3.5              |
| Nondurable Goods . . . . .                                    | 40.1             | 39.5            | 38.6             | 1.5                                 | 3.9              |
| Average Weekly Earnings (\$)                                  |                  |                 |                  |                                     |                  |
| Construction. . . . .                                         | 493.68           | 522.85          | 518.25           | - 5.6                               | - 4.7            |
| Manufacturing. . . . .                                        | 368.83           | 363.69          | 341.99           | 1.4                                 | 7.8              |
| Durable Goods . . . . .                                       | 381.20           | 377.30          | 353.11           | 1.0                                 | 8.0              |
| Nondurable Goods . . . . .                                    | 350.87           | 341.67          | 325.01           | 2.7                                 | 8.0              |
| Initial Unemployment Claims (000)                             | 16.3             | 15.1            | 21.9             | 7.9                                 | -25.6            |
| Bankruptcies, All Types (number)                              | 444              | 460             | 459              | - 3.5                               | - 3.3            |
| Total State Revenue (\$000)                                   | 351,796          | 405,171         | 340,263          | -13.2                               | 3.4              |
| Total State Expenditures (\$000)                              | 353,086          | 433,010         | 317,204          | -18.5                               | 11.3             |
| Crude Oil Production (thous. bbls.)                           | 2,459            | 2,459           | 2,473            | 0.0                                 | - 0.6            |
| Dry Gas Production (mil. cu. ft.)                             | 11,571           | 9,860           | 15,248           | 17.4                                | -24.1            |
| Coal Production. . . . .                                      | 1,268.5          | 1,379.3         | 1,144.6          | - 8.0                               | 10.8             |
| New Oil and Gas Wells (number)                                | 176              | 193             | 233              | - 8.8                               | -24.5            |
| Natural Gas Used (bil. cu. ft.)                               | 18.5             | 11.9            | 20.7             | 55.5                                | -10.6            |
| Electrical Power Sales (mil. kwh)                             |                  |                 |                  |                                     |                  |
| Residential. . . . .                                          | 506.3            | 469.1r          | 511.8            | 7.9                                 | - 1.1            |
| Nonresidential. . . . .                                       | 982.5            | 1,012.5r        | 965.4            | - 3.0                               | 1.8              |
| New Construction, 122 places                                  |                  |                 |                  |                                     |                  |
| Residential permits (number)                                  | 1,938            | 2,438           | 2,190            | -20.5                               | -11.5            |
| Residential value (\$000)                                     | 138,499          | 176,409         | 144,489          | -21.5                               | - 4.1            |
| Nonresidential permits (number)                               | 327              | 438             | 313              | -25.3                               | 4.5              |
| Nonresidential value (\$000)                                  | 52,862           | 83,286          | 33,936           | -36.5                               | 55.8             |
| Highway Contractor Payments (\$000)                           | 19,708           | 17,469          | 12,796           | 12.8                                | 54.0             |
| Savings and Loan Net New Savings (\$000) <sup>b</sup>         | 900              | -1,000          | -45,400r         | —                                   | —                |
| National Park Recreational Visits—10 Areas (000) <sup>b</sup> | 151.3            | 380.8           | 130.5            | -60.3                               | 15.9             |
| Motor Vehicle Title Applications (000)                        | 84.0             | 90.2            | 66.8             | - 6.9                               | 25.7             |
| Highway Vehicle Traffic Counts at Border                      |                  |                 |                  |                                     |                  |
| Stations (daily average).                                     | 31,140*          | 35,820*         | 33,839           | -13.1                               | - 8.0            |
| Air Passengers, Stapleton (000) <sup>c</sup>                  | 1,674            | 1,854           | 1,792            | - 9.7                               | - 6.6            |
| Air Freight and Air Express, Stapleton (thous. lbs.)          | 22,451           | 20,198          | 26,582           | -17.5                               | -15.5            |
| Prices Received by Farmers (\$)                               |                  |                 |                  |                                     |                  |
| Beef Cattle (per cwt)                                         | 57.50            | 57.20           | 56.80            | 0.5                                 | 1.2              |
| Lambs (per cwt)                                               | 57.50            | 51.80           | 49.00            | 11.0                                | 17.3             |
| Wheat (per bu.)                                               | 3.28             | 3.28            | 3.33             | 0.0                                 | - 1.5            |
| Corn (per bu.)                                                | 3.10             | 3.14            | 2.45             | - 1.3                               | 26.5             |
| Potatoes (per cwt)                                            | 4.35             | 4.95            | 4.20             | -12.1                               | 3.6              |
| Wool                                                          | .61              | .60             | .54r             | 1.7                                 | 13.0             |

NOTES: An asterisk (\*) indicates preliminary data subject to revision.  
Revised data are marked (r).  
n.r.—not reported.

<sup>a</sup>Employment figures have been updated to a December 1981 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a March 1981 benchmark. Thus, these data are not comparable to that published prior.

<sup>b</sup>New series, thus figures are not comparable to those previously published.

<sup>c</sup>Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Referee in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from 17 individual companies.

New Construction from Bureau of the Census, U.S. Department of Commerce.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

Recreational Visits from National Park Service, Denver.

Highway Traffic counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.

**LOCAL BUSINESS CONDITIONS**  
(All Figures in Thousands)

|                                             | November<br>1983 | October<br>1983 | November<br>1982 |                                           | November<br>1983 | October<br>1983 | November<br>1982 |
|---------------------------------------------|------------------|-----------------|------------------|-------------------------------------------|------------------|-----------------|------------------|
| <b>ALAMOSA (1982 pop. 7,182)</b>            |                  |                 |                  | <b>DENVER (1982 pop. 500,600)</b>         |                  |                 |                  |
| Electric Power (kwh) . . . .                | 3,385            | 3,050           | 2,744            | Electric Power (kwh) . . . .              | 324,859          | 356,824         | 317,360          |
| Constr. (\$)—Res. . . . .                   | 0                | 60              | 40               | Constr. (\$)—Res. . . . .                 | 9,639            | 12,731          | 14,749           |
| —Nonres. . . . .                            | 0                | 0               | 11               | —Nonres. . . . .                          | 11,462           | 8,113           | 13,337           |
| Deposits (\$) (2 of 2 banks)                | 52,162           | 54,195          | 47,921           | Deposits (\$) (40 of 45 banks)            | 7,075,834        | 7,221,306r      | 6,910,316        |
| <b>ARVADA (1982 pop. 91,262)</b>            |                  |                 |                  | <b>DURANGO (1982 pop. 12,276)</b>         |                  |                 |                  |
| Electric Power (kwh) . . . .                | 27,417           | 27,773          | 26,390           | Electric Power (kwh) . . . .              | 7,850            | 6,567           | 7,859            |
| Constr. (\$)—Res. . . . .                   | 2,621            | 4,066           | 1,501            | Constr. (\$)—Res. . . . .                 | 0                | 72              | 0                |
| —Nonres. . . . .                            | 2,898            | 350             | 88               | —Nonres. . . . .                          | 0                | 2,081           | 40               |
| Deposits (\$) (4 of 5 banks)                | 115,548          | 113,527         | 95,445           | Deposits (\$) (3 of 3 banks)              | 140,628          | 138,289         | 117,270          |
| <b>ASPEN (1982 pop. 4,081)</b>              |                  |                 |                  | <b>ENGLEWOOD (1982 pop. 30,555)</b>       |                  |                 |                  |
| Electric Power (kwh) . . . .                | 2,533            | 2,544           | 4,163            | Electric Power (kwh) . . . .              | 21,099           | 21,773          | 20,041           |
| Constr. (\$)—Res. . . . .                   | 481              | 400             | 0                | Constr. (\$)—Res. . . . .                 | 32               | 295             | 249              |
| —Nonres. . . . .                            | 0                | 0               | 25               | —Nonres. . . . .                          | 249              | 532             | 129              |
| Deposits (\$) (2 of 3 banks)                | 79,988           | 74,375          | 79,768           | Deposits (\$) (7 of 12 banks)             | 423,041          | 422,988         | 358,518          |
| <b>AURORA (1982 pop. 178,665)</b>           |                  |                 |                  | <b>ESTES PARK (1982 pop. 2,934)</b>       |                  |                 |                  |
| Electric Power (kwh) . . . .                | 85,462           | 80,624          | 79,317           | Electric Power (kwh) . . . .              | 4,452            | 4,295           | 4,515            |
| Constr. (\$)—Res. . . . .                   | 20,506           | 20,960          | 16,775           | Constr. (\$)—Res. . . . .                 | 607              | 448             | 77               |
| —Nonres. . . . .                            | 5,195            | 975             | 4,030            | —Nonres. . . . .                          | 44               | 0               | 0                |
| Deposits (\$) (10 of 14 banks)              | 288,631          | 283,848r        | 217,339          | Deposits (\$) (2 of 2 banks)              | 41,631           | 43,850          | 38,032           |
| <b>BOULDER (1982 pop. 80,651)</b>           |                  |                 |                  | <b>FORT COLLINS (1982 pop. 68,307)</b>    |                  |                 |                  |
| Electric Power (kwh) . . . .                | 57,557           | 55,032          | 53,298           | Electric Power (kwh) . . . .              | 40,470           | 37,949          | 42,057           |
| Constr. (\$)—Res. . . . .                   | 3,041            | 2,859           | 2,462            | Constr. (\$)—Res. . . . .                 | 4,792            | 5,116           | 2,852            |
| —Nonres. . . . .                            | 3,300            | 2,350           | 103              | —Nonres. . . . .                          | 130              | 650             | 381              |
| Deposits (\$) (10 of 10 banks)              | 604,982          | 606,516r        | 487,996          | Deposits (\$) (8 of 8 banks)              | 416,518          | 415,545         | 373,589          |
| <b>BRIGHTON (1982 pop. 13,239)</b>          |                  |                 |                  | <b>FORT MORGAN (1982 pop. 8,913)</b>      |                  |                 |                  |
| Electric Power (kwh) . . . .                | 4,746            | 4,659           | 4,738            | Electric Power (kwh) . . . .              | 7,574            | 6,163           | 7,021            |
| Constr. (\$)—Res. . . . .                   | 105              | 567             | 89               | Constr. (\$)—Res. . . . .                 | 108              | 23              | 223              |
| —Nonres. . . . .                            | 26               | 90              | 510              | —Nonres. . . . .                          | 0                | 0               | 146              |
| Deposits (\$) (2 of 2 banks)                | 67,905           | 63,989          | 54,812           | Deposits (\$) (3 of 3 banks)              | 99,883           | 100,076         | 88,838           |
| <b>BROOMFIELD (1982 pop. 22,452)</b>        |                  |                 |                  | <b>GLENWOOD SPRINGS (1982 pop. 5,000)</b> |                  |                 |                  |
| Electric Power (kwh) . . . .                | 11,779           | 9,851           | 9,779            | Electric Power (kwh) . . . .              | 4,822            | 5,014           | 5,411            |
| Constr. (\$)—Res. . . . .                   | 1,483            | 1,246           | 1,581            | Constr. (\$)—Res. . . . .                 | 210              | 120             | 206              |
| —Nonres. . . . .                            | 0                | 322             | 37               | —Nonres. . . . .                          | 268              | 217             | 404              |
| Deposits (\$) (2 of 2 banks)                | 65,523           | 64,960          | 54,320           | Deposits (\$) (3 of 3 banks)              | 126,286          | 131,034         | 124,485          |
| <b>CANON CITY (1982 pop. 13,576)</b>        |                  |                 |                  | <b>GOLDEN (1982 pop. 13,109)</b>          |                  |                 |                  |
| Electric Power (kwh) . . . .                | n.r.             | 23,813          | 23,564           | Electric Power (kwh) . . . .              | 5,953            | 5,776           | 5,831            |
| Constr. (\$)—Res. . . . .                   | 30               | 185             | 250              | Constr. (\$)—Res. . . . .                 | 1,255            | 122             | 163              |
| —Nonres. . . . .                            | 0                | 8               | 4                | —Nonres. . . . .                          | 498              | 0               | 0                |
| Deposits (\$) (3 of 3 banks)                | 112,370          | 112,819         | 103,146          | Deposits (\$) (3 of 3 banks)              | 161,118          | 163,393         | 129,596          |
| <b>COLORADO SPRINGS (1982 pop. 230,553)</b> |                  |                 |                  | <b>GRAND JUNCTION (1982 pop. 32,082)</b>  |                  |                 |                  |
| Electric Power (kwh) . . . .                | 170,806          | 159,414         | 163,219          | Electric Power (kwh) . . . .              | 18,563           | 20,876          | 17,713           |
| Constr. (\$)—Res. . . . .                   | 16,502           | 33,133          | 16,246           | Constr. (\$)—Res. . . . .                 | 108              | 110             | 694              |
| —Nonres. . . . .                            | 11,339           | 14,994          | 5,209            | —Nonres. . . . .                          | 1,125            | 291             | 407              |
| Deposits (\$) (17 of 20 banks)              | 1,082,812        | 1,095,090r      | 939,008          | Deposits (\$) (5 of 5 banks)              | 344,993          | 340,283         | 352,222          |
| <b>COMMERCE CITY (1982 pop. 16,412)</b>     |                  |                 |                  | <b>GREELEY (1982 pop. 54,063)</b>         |                  |                 |                  |
| Electric Power (kwh) . . . .                | 28,893           | 23,758          | 24,698           | Electric Power (kwh) . . . .              | 29,491           | 22,600          | 24,322           |
| Constr. (\$)—Res. . . . .                   | 214              | 0               | 269              | Constr. (\$)—Res. . . . .                 | 1,421            | 966             | 279              |
| —Nonres. . . . .                            | 1,421            | 0               | 206              | —Nonres. . . . .                          | 163              | 68              | 81               |
| Deposits (\$) (1 of 1 bank)                 | 28,821           | 28,860          | 26,109           | Deposits (\$) (9 of 9 banks)              | 477,564          | 482,887         | 426,086          |
| <b>CORTEZ (1982 pop. 7,489)</b>             |                  |                 |                  | <b>GUNNISON (1982 pop. 6,031)</b>         |                  |                 |                  |
| Electric Power (kwh) . . . .                | n.r.             | 3,406           | 3,534            | Electric Power (kwh) . . . .              | 4,158            | 3,736           | 4,202            |
| Constr. (\$)—Res. . . . .                   | 140              | 81              | 205              | Constr. (\$)—Res. . . . .                 | 0                | 0               | 0                |
| —Nonres. . . . .                            | 28               | 75              | 25               | —Nonres. . . . .                          | 0                | 495             | 57               |
| Deposits (\$) (3 of 3 banks)                | 94,678           | 95,642          | 80,847           | Deposits (\$) (2 of 2 banks)              | 58,120           | 52,055          | 47,216           |
| <b>CRAIG (1982 pop. 10,000)</b>             |                  |                 |                  | <b>LA JUNTA (1982 pop. 8,338)</b>         |                  |                 |                  |
| Electric Power (kwh) . . . .                | 4,000            | 3,985           | 3,879            | Electric Power (kwh) . . . .              | 4,616            | 4,571           | 4,478            |
| Constr. (\$)—Res. . . . .                   | 0                | 0               | 0                | Constr. (\$)—Res. . . . .                 | 0                | 50              | 115              |
| —Nonres. . . . .                            | 0                | 40              | 35               | —Nonres. . . . .                          | 0                | 0               | 0                |
| Deposits (\$) (2 of 2 banks)                | 62,232           | 64,164          | 70,103           | Deposits (\$) (2 of 2 banks)              | 54,049           | 57,173          | 48,744           |

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LOCAL BUSINESS CONDITIONS—Continued

|                                         | November<br>1983 | October<br>1983 | November<br>1982 |                                | November<br>1983 | October<br>1983 | November<br>1982 |
|-----------------------------------------|------------------|-----------------|------------------|--------------------------------|------------------|-----------------|------------------|
| LAFAYETTE (1982 pop. 10,115)            |                  |                 |                  | ROCKY FORD (1982 pop. 4,574)   |                  |                 |                  |
| Electric Power (kwh) . . . .            | 2,985            | 2,550           | 2,653            | Electric Power (kwh) . . . .   | 4,980            | 5,827           | 4,894            |
| Constr. (\$)—Res. . . . .               | 552              | 328             | 1,133            | Constr. (\$)—Res. . . . .      | 28               | 0               | 30               |
| —Nonres. . . . .                        | 345              | 407             | 117              | —Nonres. . . . .               | 0                | 0               | 0                |
| Deposits (\$) (1 of 1 bank)             | 17,083           | 16,764          | 16,173           | Deposits (\$) (1 of 2 banks)   | 15,095           | 15,021          | 14,017           |
| LAKEWOOD (1982 pop. 117,436)            |                  |                 |                  | SALIDA (1982 pop. 4,478)       |                  |                 |                  |
| Electric Power (kwh) . . . .            | 56,687           | 65,139          | 53,667           | Electric Power (kwh) . . . .   | 1,919            | 1,703           | 1,691            |
| Constr. (\$)—Res. . . . .               | 6,193            | 3,751           | 11,146           | Constr. (\$)—Res. . . . .      | 80               | 0               | 0                |
| —Nonres. . . . .                        | 377              | 2,385           | 1,398            | —Nonres. . . . .               | 0                | 0               | 445              |
| Deposits (\$) (12 of 12 banks)          | 568,145          | 582,242         | 515,146          | Deposits (\$) (2 of 2 banks)   | 38,839           | 39,932          | 39,737           |
| LAMAR (1982 pop. 7,793)                 |                  |                 |                  | STERLING (1982 pop. 11,470)    |                  |                 |                  |
| Electric Power (kwh) . . . .            | 5,954            | 6,491           | 5,913            | Electric Power (kwh) . . . .   | 5,763            | 6,043           | 6,006            |
| Constr. (\$)—Res. . . . .               | 261              | 127             | 1,237            | Constr. (\$)—Res. . . . .      | 133              | 0               | 125              |
| —Nonres. . . . .                        | 0                | 35              | 415              | —Nonres. . . . .               | 0                | 0               | 7                |
| Deposits (\$) (2 of 2 banks)            | 83,474           | 82,608          | 73,756           | Deposits (\$) (3 of 3 banks)   | 145,610          | 147,613         | 136,339          |
| LITTLETON (1982 pop. 30,001)            |                  |                 |                  | THORNTON (1982 pop. 44,130)    |                  |                 |                  |
| Electric Power (kwh) . . . .            | 16,476           | 16,635          | 14,782           | Electric Power (kwh) . . . .   | 14,597           | 17,090          | 16,361           |
| Constr. (\$)—Res. . . . .               | 958              | 1,468           | 1,528            | Constr. (\$)—Res. . . . .      | 3,351            | 8,794           | 1,074            |
| —Nonres. . . . .                        | 164              | 1,251           | 4                | —Nonres. . . . .               | 110              | 47              | 261              |
| Deposits (\$) (9 of 11 banks)           | 180,509*         | 182,214*        | 193,126          | Deposits (\$) (1 of 1 bank)    | 29,055           | 28,249          | 24,627           |
| LONGMONT (1982 pop. 46,313)             |                  |                 |                  | TRINIDAD (1982 pop. 9,900)     |                  |                 |                  |
| Electric Power (kwh) . . . .            | 23,194           | 22,910          | 20,098           | Electric Power (kwh) . . . .   | 2,981            | 2,766           | 2,917            |
| Constr. (\$)—Res. . . . .               | 1,334            | 3,121           | 1,660            | Constr. (\$)—Res. . . . .      | 0                | 150             | 0                |
| —Nonres. . . . .                        | 492              | 455             | 1,414            | —Nonres. . . . .               | 0                | 0               | 0                |
| Deposits (\$) (5 of 5 banks)            | 221,477          | 218,948         | 186,129          | Deposits (\$) (2 of 2 banks)   | 58,123           | 59,865          | 53,226           |
| LOUISVILLE (1982 pop. 6,067)            |                  |                 |                  | WESTMINSTER (1982 pop. 54,995) |                  |                 |                  |
| Electric Power (kwh) . . . .            | 10,376           | 9,823           | 9,168            | Electric Power (kwh) . . . .   | 22,735           | 22,988          | 20,087           |
| Constr. (\$)—Res. . . . .               | 575              | 826             | 6,989            | Constr. (\$)—Res. . . . .      | 7,195            | 7,966           | 3,881            |
| —Nonres. . . . .                        | 0                | 2,516           | 0                | —Nonres. . . . .               | 1,181            | 1,335           | 2,780            |
| Deposits (\$) (2 of 2 banks)            | 27,673           | 28,110          | 20,261           | Deposits (\$) (3 of 3 banks)   | 105,020          | 106,412         | 88,811           |
| LOVELAND (1982 pop. 30,962)             |                  |                 |                  | WHEAT RIDGE (1982 pop. 31,743) |                  |                 |                  |
| Electric Power (kwh) . . . .            | 21,374           | 19,821          | 17,597           | Electric Power (kwh) . . . .   | 22,754           | 21,617          | 20,744           |
| Constr. (\$)—Res. . . . .               | 765              | 1,508           | 798              | Constr. (\$)—Res. . . . .      | 399              | 778             | 512              |
| —Nonres. . . . .                        | 0                | 618             | 70               | —Nonres. . . . .               | 355              | 0               | 0                |
| Deposits (\$) (4 of 4 banks)            | 151,184          | 154,741         | 134,962          | Deposits (\$) (2 of 2 banks)   | 94,040           | 92,505          | 80,751           |
| MONTROSE (1982 pop. 8,895) <sup>b</sup> |                  |                 |                  |                                |                  |                 |                  |
| Constr. (\$)—Res. . . . .               | 185              | 30              | 0                |                                |                  |                 |                  |
| —Nonres. . . . .                        | 833              | 44              | 0                |                                |                  |                 |                  |
| Deposits (\$) (3 of 3 banks)            | 114,159          | 117,483         | 107,828          |                                |                  |                 |                  |
| NORTHGLENN (1982 pop. 30,980)           |                  |                 |                  |                                |                  |                 |                  |
| Electric Power (kwh) . . . .            | 10,519           | 11,056          | 10,955           |                                |                  |                 |                  |
| Constr. (\$)—Res. . . . .               | 56               | 92              | 0                |                                |                  |                 |                  |
| —Nonres. . . . .                        | 0                | 180             | 0                |                                |                  |                 |                  |
| Deposits (\$) (2 of 3 banks)            | 73,438           | 68,815          | 61,292           |                                |                  |                 |                  |
| PUEBLO (1982 pop. 99,619)               |                  |                 |                  |                                |                  |                 |                  |
| Electric Power (kwh) . . . .            | 45,000           | 46,952          | 44,048           |                                |                  |                 |                  |
| Constr. (\$)—Res. . . . .               | 146              | 294             | 485              |                                |                  |                 |                  |
| —Nonres. . . . .                        | 324              | 721             | 203              |                                |                  |                 |                  |
| Deposits (\$) (8 of 9 banks)            | 397,785          | 405,008         | 367,354          |                                |                  |                 |                  |

<sup>a</sup>Regional figures.

<sup>b</sup>Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.

Construction figures are valuation of new residential and nonresidential construction only.

Deposit figures are total deposits in commercial banks as of last day of month.

n.r.—not reported

\*—preliminary data

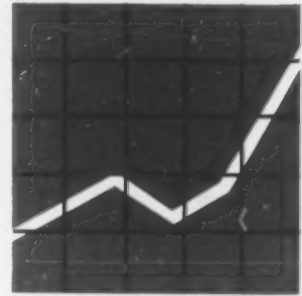
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# Colorado Business Review

BUSINESS RESEARCH DIVISION • GRADUATE SCHOOL OF BUSINESS ADMINISTRATION • UNIVERSITY OF COLORADO

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Volume LVII, Number 4, April 1984

# Colorado Needs Expansion of Export Efforts

Charles V. Brown, Jr.

When Bart Smit gets his paycheck from the state of Illinois, he converts it into Belgian francs. When he contacts his home office in Chicago, it is by telex or a trans-Atlantic phone call. When he talks with European business people, it is in French, English, German or Dutch.

Smit is an employee of the Illinois Department of Business and Economic Development. He is one of more than a dozen Illinois state employees who live and work overseas—in Japan, Belgium, Hong Kong and Brazil. Their job is to assist Illinois businesses in marketing products, contracting services and making them aware of profit opportunities overseas. They also work with overseas companies to bring in foreign-owned manufacturing industries and foreign-owned service businesses to Illinois.

The Illinois effort is not uncommon. Thirty-five states currently are represented abroad. New York, the first state to set up an office overseas, has been represented in several countries for more than 20 years. Many states have more than one office abroad to represent them in the increasingly competitive and lucrative field of international trade.

## EXPORTING BENEFITS LOCAL ECONOMIES

For these states, boosting exports is a good way to boost local economies. The U.S. Commerce Department estimates that every \$33,000 in exports creates one domestic job. Exports also can strengthen local businesses. Companies which serve both domestic and international markets are less likely to suffer losses in either profits or skilled workers during downturns in the economy.

Large companies have long understood the advantages of promoting foreign trade and most have the resources to employ their own marketing representatives. The same is not true, however, for smaller businesses and it is these companies that are assisted by development departments like the one in Illinois.

Brad Pelsue is a businessman who chairs the Colorado District Export Council, a group of 22 business leaders and educators working to promote Colorado exports. Pelsue's company in Englewood has been exporting for years and he knows firsthand the problems of doing business overseas. Pelsue says, "Many smaller companies are naturally apprehensive about conducting business abroad. They are afraid of international red tape and are intimidated by what they perceive to be the pitfalls of dealing in foreign languages and with foreign currencies. Most important, they are not aware that their product or service has a foreign market." He adds, "Government has an important role to play in opening doors for Colorado businesses so they can compete successfully abroad. Overseas buyers are impressed when a state government acts in partnership with a local business to help promote it."

Charles V. Brown, Jr. is a state representative from south Denver and the Holly Hills area of Arapahoe County. He has introduced a bill this session which would establish an overseas marketing office for Colorado to work with the local office established in 1983.

## COLORADO'S FOREIGN TRADE OFFICE

The state of Colorado is just beginning to recognize the economic advantages of expanding foreign trade. Last year, the Legislature appropriated \$95,000 to establish the Foreign Trade Office of the Colorado Division of Commerce and Development. The office also received a \$100,000 grant from the U.S. Department of Commerce. According to Steve Schmitz, director of the division, the funds will be used to "create and expand international export markets for Colorado products, thereby establishing new jobs and retaining existing ones. We know there's a lot of interest, but there also are many business people who are frightened by exporting. Our job is to work with business and help reduce that fear." Schmitz says the Foreign Trade Office also works "to attract foreign investment to the Colorado economy and to increase awareness of Colorado products."

The office employs four people to promote export of Colorado goods and services. While two of the four staff people are able to make an occasional journey overseas, none are stationed abroad.

Smit of Illinois maintained, "If a state wants to get serious about doing business internationally, it should be physically represented overseas. Even in this age of high-speed trans-Atlantic communication, the personal touch is essential. Foreign businesses want to know with whom they're dealing and they appreciate the on-the-spot assistance we provide."

## ILLINOIS' INVESTMENT BRINGS RESULTS

Still, Smit acknowledged, it takes years to cultivate a foreign market. Illinois set up its Brussels office in 1968; the results were by no means immediate.

A recent advance trip Smit made to the Middle East is an example of the government involvement necessary to sell successfully foreign business and attract investment.

Smit spent nearly a year directly preparing for "Saudi-build '83," an international trade show for small construction equipment, one of a dozen Illinois sponsored last year. In addition to spending three weeks in Saudi Arabia prior to the show, Smit made several trips there during the preceding year. His office also worked closely with the Chicago backup staff to line up Illinois manufacturers for "Saudi-build '83." The results were well worth the intensive effort. Seven Illinois companies immediately sold \$625,000 in equipment off the floor and expect an additional \$12 million in follow-up sales.

Trade shows represent only one part of Smit's overseas job. Smit can provide detailed overseas marketing and economic analyses, as well as names and addresses of potential overseas clients or representatives. He can offer advice about the general sales potential of a product or service and then suggest methods and techniques to help market it. In addition, his office can recommend qualified candidates for agencies and distributorships and help establish branch, sales or manufacturing operations.

During his tenure in Brussels, Bart Smit figures that on the average, he has personally increased Illinois overseas sales by "at least a million dollars a year." Not a bad return on the state's investment of his salary of mid-\$30,000 range.

The benefits to Illinois extend beyond overseas sales, however. Ten European companies have established manufacturing plants in Illinois and another 17 have opened sales and distribution factories, creating nearly 400 "start-up" jobs. Not surprisingly, Smit said his office never has had any problem justifying its continued funding to the Illinois State Legislature. "We carefully document what we do. Our bottom line tells our story, and the legislators are impressed," he noted.

In 1980, Illinois generated almost \$17 billion from the export of manufactured goods and services alone. Other states with legislatures responsive to expanding overseas trade have benefited from their investment. Tennessee, for example, gained \$5.2 billion from its exports in 1980, while South Carolina gained \$4.3 billion. Both maintain an overseas office or utilize the services of foreign consultants.

### COLORADO'S POTENTIAL

Last year, Colorado generated \$2.4 billion from the sale of goods and services abroad, ranking us a dismal 41st in the nation as an exporting state. Other western states—Arizona, Montana, Utah and Oklahoma—rank higher. Indeed, exporting accounted for only 7.4% of Colorado's manufacturing output and only 12.7% of manufacturing employment. Less than 20% of Colorado's more than 4,500 manufacturers export regularly and Don Schilke, regional director of the U.S. Department of Commerce, International Trade Administration, estimates the number of Colorado exporters could be doubled.

Colorado has a great deal to offer to foreign markets in both products and services. In addition to manufactured products, Colorado's natural resources and agricultural goods currently make up a large percentage of foreign sales. However, as Erwyn Witte of the Colorado Depart-

ment of Agriculture pointed out, "In spite of the fact that agriculture ranks in the top three revenue-producing areas for our state, there are no state funds allocated for helping farmers export their agricultural products."

Schilke, who once ran the Illinois Export Program, observed that "the federal government can't do it all; neither can the states. What it takes is a well-conceived, long-term, joint program with the state. Such a program can and has produced impressive results. The success stories of other states engaged in actively seeking to export both services and products are many, but the investments made by those states are commensurate with their successes."

Expanding expertise in high technology, machinery and precision instrumentation, minerals and energy services could make Colorado a strong force in foreign marketplaces.

"More than a decade ago Denver's larger banks recognized the foreign marketing opportunities by establishing international divisions which provide customers with information and assistance with their export requirements," said Peter Grant, president of Colorado National Bank. Grant echoes sentiments of local businesspeople who agree that Colorado banks are supportive of state programs promoting overseas trade for Colorado-based products and services.

Expanding Colorado's efforts to attract foreign business and increase exports is integral to building the state's economy. This requires investing sufficient resources with the understanding that it won't produce miracles overnight. Nevertheless, long-term rewards will more than justify such expenditures.

Pelsue, summing up export opportunities, said, "Colorado exports create Colorado jobs. American products are in worldwide demand. Colorado should take advantage of profit opportunities abroad and make a firm commitment to expanding and improving its export effectiveness. It's time we take an aggressive approach to doing business internationally."

## COLORADO BUSINESS REVIEW

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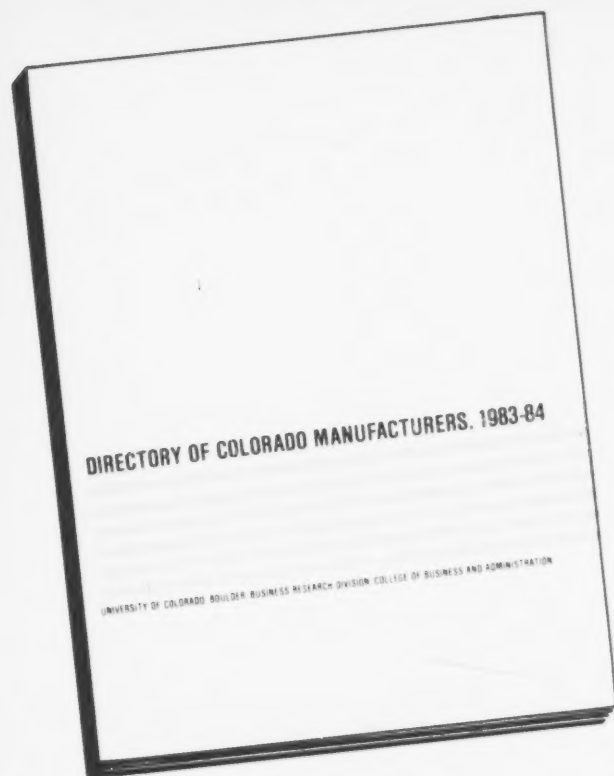
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**COLORADO BUSINESS INDICATORS**  
(Figures in Thousands Unless Otherwise Indicated)

|                                                                           | December<br>1983 | November<br>1983 | December<br>1982 | Percent Change<br>December 1983 from<br>November 1983    December 1982 |       |
|---------------------------------------------------------------------------|------------------|------------------|------------------|------------------------------------------------------------------------|-------|
| Total Civilian Labor Force (by place of residence) <sup>a</sup> . . . . . | 1,673.8          | 1,672.7          | 1,623.5          | 0.1                                                                    | 3.1   |
| Unemployment . . . . .                                                    | 96.2             | 92.0             | 130.3            | 4.6                                                                    | -26.2 |
| Unemployment Rate (percent) . . . . .                                     | 5.7              | 5.5              | 8.0              | —                                                                      | —     |
| Employment . . . . .                                                      | 1,577.6          | 1,580.6          | 1,493.2          | - 0.2                                                                  | 5.7   |
| Nonagricultural Wage and Salary . . . . .                                 | 1,552.0          | 1,549.9          | 1,467.3          | 0.1                                                                    | 5.8   |
| Agricultural . . . . .                                                    | 25.5             | 30.7             | 25.9             | -16.9                                                                  | - 1.5 |
| <hr/>                                                                     |                  |                  |                  |                                                                        |       |
| Total Nonagricultural Wage and Salary                                     |                  |                  |                  |                                                                        |       |
| Employment (by place of work) <sup>a</sup> . . . . .                      | 1,351.8          | 1,345.9          | 1,323.2          | 0.4                                                                    | 2.2   |
| Mining . . . . .                                                          | 37.1             | 36.9             | 38.6             | 0.5                                                                    | - 3.9 |
| Metallic Minerals . . . . .                                               | 5.9              | 5.8              | 6.4              | 1.7                                                                    | - 7.8 |
| Bituminous Coal, Lignite, and Nonmetallic . . . . .                       | 4.7              | 4.5              | 4.8              | 4.4                                                                    | - 2.1 |
| Oil and Gas Extraction . . . . .                                          | 26.6             | 26.6             | 27.3             | 0.0                                                                    | - 2.6 |
| Contract Construction . . . . .                                           | 82.5             | 86.2             | 82.4             | - 4.3                                                                  | 0.1   |
| Manufacturing . . . . .                                                   | 183.8            | 183.8            | 177.8            | 0.0                                                                    | 3.4   |
| Lumber, Wood Products, and Furniture . . . . .                            | 6.3              | 6.3              | 6.4              | 0.0                                                                    | - 1.6 |
| Stone, Clay, Glass, and Concrete Products . . . . .                       | 9.4              | 9.5              | 9.2              | - 1.1                                                                  | 2.2   |
| Primary and Fabricated Metals . . . . .                                   | 14.1             | 14.0             | 14.5             | 0.7                                                                    | - 2.8 |
| Machinery, Except Electrical . . . . .                                    | 28.4             | 28.1             | 24.7             | 1.1                                                                    | 15.0  |
| Electric and Electronic Equipment . . . . .                               | 19.1             | 18.9             | 18.2             | 1.1                                                                    | 5.0   |
| Transportation Equipment . . . . .                                        | 13.6             | 13.5             | 13.9             | 0.7                                                                    | - 2.2 |
| Other Durable Goods . . . . .                                             | 28.0             | 28.1             | 27.9             | - 0.4                                                                  | 0.4   |
| Food and Kindred Products . . . . .                                       | 24.4             | 25.0             | 23.8             | - 2.4                                                                  | 2.5   |
| Textiles and Apparel . . . . .                                            | 3.1              | 3.0              | 2.9              | 3.3                                                                    | 6.9   |
| Paper and Allied Products . . . . .                                       | 2.1              | 2.1              | 2.0              | 0.0                                                                    | 5.0   |
| Printing and Publishing . . . . .                                         | 19.4             | 19.3             | 18.8             | 0.5                                                                    | 3.2   |
| Chemicals and Allied Products . . . . .                                   | 7.9              | 7.9              | 7.6              | 0.0                                                                    | 4.0   |
| Other Nondurable Goods . . . . .                                          | 8.1              | 8.1              | 7.9              | 0.0                                                                    | 2.5   |
| Finance, Insurance, and Real Estate . . . . .                             | 86.8             | 86.2             | 84.7             | 0.7                                                                    | 2.5   |
| Banking . . . . .                                                         | 22.3             | 22.2             | 22.3             | 0.5                                                                    | 0.0   |
| Credit Agencies Other than Banks . . . . .                                | 14.8             | 14.8             | 13.7             | 0.0                                                                    | 8.0   |
| Insurance Carriers, Agents, and Brokers . . . . .                         | 20.8             | 20.8             | 20.7             | 0.0                                                                    | 0.5   |
| Real Estate and Combination Offices . . . . .                             | 21.5             | 21.1             | 21.6             | 1.9                                                                    | - 0.5 |
| Other Finance, Insurance, and Real Estate . . . . .                       | 7.4              | 7.3              | 6.4              | 1.4                                                                    | 15.6  |
| Transportation and Public Utilities . . . . .                             | 85.4             | 84.5             | 85.1             | 1.1                                                                    | 0.4   |
| Railroad Transportation . . . . .                                         | 5.8              | 6.0              | 5.7              | - 3.3                                                                  | 1.8   |
| Trucking and Warehousing . . . . .                                        | 17.7             | 17.1             | 17.6             | 3.5                                                                    | 0.6   |
| Air Transportation . . . . .                                              | 14.4             | 14.0             | 14.5             | 2.9                                                                    | - 0.7 |
| Other Transportation . . . . .                                            | 6.6              | 6.5              | 6.6              | 1.5                                                                    | 0.0   |
| Communications, Electric, Gas, and Sanitary Services . . . . .            | 41.0             | 40.9             | 40.7             | 0.2                                                                    | 0.7   |
| Trade . . . . .                                                           | 335.8            | 330.2            | 328.6            | 1.7                                                                    | 2.2   |
| Wholesale Trade . . . . .                                                 | 79.2             | 78.9             | 77.4             | 0.4                                                                    | 2.3   |
| Retail Trade . . . . .                                                    | 256.6            | 251.3            | 251.3            | 2.1                                                                    | 2.1   |
| Services . . . . .                                                        | 293.6            | 289.3            | 281.3            | 1.5                                                                    | 4.4   |
| Lodging and Combination Lodging/Eating Places . . . . .                   | 26.1             | 24.0             | 24.7             | 8.8                                                                    | 5.7   |
| Personal Services . . . . .                                               | 15.1             | 14.9             | 14.2             | 1.3                                                                    | 6.3   |
| Business Services . . . . .                                               | 58.3             | 58.3             | 53.3             | 0.0                                                                    | 9.4   |
| Auto and Miscellaneous Repair Services . . . . .                          | 14.4             | 14.3             | 14.2             | 0.7                                                                    | 1.4   |
| Amusements and Recreation . . . . .                                       | 19.2             | 16.5             | 18.6             | 16.4                                                                   | 3.2   |
| Health Services . . . . .                                                 | 75.2             | 75.0             | 73.8             | 0.3                                                                    | 1.9   |
| Educational Services . . . . .                                            | 10.8             | 11.4             | 10.6             | - 5.3                                                                  | 1.9   |
| Membership Organizations . . . . .                                        | 20.9             | 20.7             | 20.4             | 1.0                                                                    | 2.5   |
| Other Services . . . . .                                                  | 53.7             | 54.1             | 51.4             | - 0.7                                                                  | 4.5   |
| Government . . . . .                                                      | 246.7            | 248.7            | 244.7            | - 0.8                                                                  | 0.8   |
| Federal . . . . .                                                         | 52.4             | 52.3             | 51.2             | 0.2                                                                    | 2.3   |
| State . . . . .                                                           | 58.9             | 60.0             | 58.6             | - 1.8                                                                  | 0.5   |
| Local . . . . .                                                           | 135.5            | 136.4            | 134.9            | - 0.7                                                                  | 0.4   |

|                                                                         | December<br>1983 | November<br>1983 | December<br>1982 | Percent Change<br>December 1983 from |                  |
|-------------------------------------------------------------------------|------------------|------------------|------------------|--------------------------------------|------------------|
|                                                                         |                  |                  |                  | November<br>1983                     | December<br>1982 |
| Average Weekly Hours                                                    |                  |                  |                  |                                      |                  |
| Construction . . . . .                                                  | 37.2             | 37.0             | 37.1             | 0.5                                  | 0.3              |
| Manufacturing . . . . .                                                 | 41.3             | 40.7             | 39.0             | 1.5                                  | 5.9              |
| Durable Goods . . . . .                                                 | 42.0             | 41.4             | 39.7             | 1.5                                  | 5.8              |
| Nondurable Goods . . . . .                                              | 40.2             | 39.7             | 37.9             | 1.3                                  | 6.1              |
| Average Weekly Earnings (\$)                                            |                  |                  |                  |                                      |                  |
| Construction . . . . .                                                  | 491.04           | 483.96           | 513.46           | 1.5                                  | - 4.4            |
| Manufacturing . . . . .                                                 | 380.37           | 368.74           | 341.64           | 3.2                                  | 11.3             |
| Durable Goods . . . . .                                                 | 399.00           | 385.85           | 352.93           | 3.4                                  | 13.1             |
| Nondurable Goods . . . . .                                              | 351.75           | 343.80           | 323.67           | 2.3                                  | 8.7              |
| Initial Unemployment Claims (000) . . . . .                             | 22.8             | 16.3             | 21.4             | 39.9                                 | 6.5              |
| Bankruptcies, All Types (number) . . . . .                              | 461              | 444              | 533              | 3.8                                  | -13.5            |
| Total State Revenue (\$000) . . . . .                                   | 488,298          | 351,796          | 318,985          | 38.8                                 | 53.1             |
| Total State Expenditures (\$000) . . . . .                              | 444,251          | 353,086          | 372,364          | 25.8                                 | 19.3             |
| Crude Oil Production (thous. bbls.) . . . . .                           | 2,343            | 2,459            | 2,399            | - 4.7                                | - 2.3            |
| Dry Gas Production (mil. cu. ft.) . . . . .                             | 15,537           | 11,571           | 15,870           | 34.3                                 | - 2.1            |
| Coal Production . . . . .                                               | 1,350.3          | 1,268.5          | 1,500.7          | 6.5                                  | -10.0            |
| New Oil and Gas Wells (number) . . . . .                                | 239              | 176              | 213              | 35.8                                 | 12.2             |
| Natural Gas Used (bil. cu. ft.) . . . . .                               | 30.1             | 18.5             | 24.6             | 62.7                                 | 22.4             |
| Electrical Power Sales (mil. kwh)                                       |                  |                  |                  |                                      |                  |
| Residential . . . . .                                                   | 641.5            | 506.3            | 607.6            | 26.7                                 | 5.6              |
| Nonresidential . . . . .                                                | 1,012.9          | 982.5            | 982.9            | 3.1                                  | 3.1              |
| New Construction, 122 places                                            |                  |                  |                  |                                      |                  |
| Residential permits (number) . . . . .                                  | 1,854            | 1,938            | 2,033            | - 4.3                                | - 8.8            |
| Residential value (\$000) . . . . .                                     | 126,955          | 138,499          | 125,828          | - 8.3                                | 0.9              |
| Nonresidential permits (number) . . . . .                               | 280              | 327              | 235              | -14.4                                | 19.2             |
| Nonresidential value (\$000) . . . . .                                  | 66,684           | 52,862           | 93,482           | 26.2                                 | -28.7            |
| Highway Contractor Payments (\$000) . . . . .                           | 10,249           | 19,708           | 12,072           | -48.0                                | -15.1            |
| Savings and Loan Net New Savings (\$000) <sup>b</sup> . . . . .         | 4,400            | 900              | 412,400r         | 388.9                                | -98.9            |
| National Park Recreational Visits—10 Areas (000) <sup>b</sup> . . . . . | 54.7             | 151.3            | 101.4            | -63.9                                | -46.1            |
| Motor Vehicle Title Applications (000) . . . . .                        | 96.2             | 84.0             | 78.8             | 14.5                                 | 22.1             |
| Highway Vehicle Traffic Counts at Border                                |                  |                  |                  |                                      |                  |
| Stations (daily average) . . . . .                                      | 29,111           | 32,321r          | 31,068           | - 9.9                                | - 6.3            |
| Air Passengers, Stapleton (000) <sup>c</sup> . . . . .                  | 1,962            | 1,687r           | 1,957            | 16.3                                 | 0.3              |
| Air Freight and Air Express, Stapleton (thous. lbs.) . . . . .          | 25,752           | 22,451           | 27,503           | 14.7                                 | - 6.4            |
| Prices Received by Farmers (\$)                                         |                  |                  |                  |                                      |                  |
| Beef Cattle (per cwt) . . . . .                                         | 62.50            | 57.50            | 57.50            | 8.7                                  | 8.7              |
| Lambs (per cwt) . . . . .                                               | 60.00            | 57.50            | 51.10            | 4.4                                  | 17.4             |
| Wheat (per bu.) . . . . .                                               | 3.26             | 3.28             | 3.41             | - 0.6                                | - 4.4            |
| Corn (per bu.) . . . . .                                                | 3.12             | 3.10             | 2.54             | 0.7                                  | 22.8             |
| Potatoes (per cwt) . . . . .                                            | 4.75             | 4.35             | 3.45r            | 9.2                                  | 37.7             |
| Wool . . . . .                                                          | .67              | .61              | .51r             | 9.8                                  | 31.4             |

NOTES: An asterisk (\*) indicates preliminary data subject to revision.  
Revised data are marked (r).  
n.r.—not reported.

<sup>a</sup>Employment figures have been updated to a March 1983 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a December 1981 benchmark. Thus, these data are not comparable to that published prior.

<sup>b</sup>New series, thus figures are not comparable to those previously published.

<sup>c</sup>Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Referee in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from 17 individual companies.

New Construction from Bureau of the Census, U.S. Department of Commerce.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

Recreational Visits from National Park Service, Denver.

Highway Traffic counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.



**LOCAL BUSINESS CONDITIONS**  
(All Figures in Thousands)

|                                             | December<br>1983 | November<br>1983 | December<br>1982 |                                           | December<br>1983 | November<br>1983 | December<br>1982 |
|---------------------------------------------|------------------|------------------|------------------|-------------------------------------------|------------------|------------------|------------------|
| <b>ALAMOSA (1982 pop. 7,182)</b>            |                  |                  |                  | <b>DENVER (1982 pop. 500,600)</b>         |                  |                  |                  |
| Electric Power (kwh) . . . .                | 3,520            | 3,385            | 3,305            | Electric Power (kwh) . . . .              | 365,203          | 324,859          | 339,342          |
| Constr. (\$)—Res. . . . .                   | 0                | 0                | 160              | Constr. (\$)—Res. . . . .                 | 8,802            | 9,639            | 9,700            |
| —Nonres. . . . .                            | 0                | 0                | 0                | —Nonres. . . . .                          | 380              | 11,462           | 12,177           |
| Deposits (\$) (2 of 2 banks)                | 52,417           | 52,162           | 51,596           | Deposits (\$) (40 of 45 banks)            | 7,675,052        | 7,075,834        | 7,280,864        |
| <b>ARVADA (1982 pop. 91,262)</b>            |                  |                  |                  | <b>DURANGO (1982 pop. 12,276)</b>         |                  |                  |                  |
| Electric Power (kwh) . . . .                | 30,636           | 27,417           | 29,437           | Electric Power (kwh) . . . .              | 6,254            | 7,850            | 5,484            |
| Constr. (\$)—Res. . . . .                   | 2,537            | 2,621            | 5,480            | Constr. (\$)—Res. . . . .                 | 110              | 0                | 0                |
| —Nonres. . . . .                            | 0                | 2,898            | 368              | —Nonres. . . . .                          | 25               | 0                | 0                |
| Deposits (\$) (4 of 5 banks)                | 115,595          | 115,548          | 97,232           | Deposits (\$) (3 of 3 banks)              | 139,704          | 140,628          | 121,522          |
| <b>ASPEN (1982 pop. 4,081)</b>              |                  |                  |                  | <b>ENGLEWOOD (1982 pop. 30,555)</b>       |                  |                  |                  |
| Electric Power (kwh) . . . .                | 3,999            | 2,533            | 4,080            | Electric Power (kwh) . . . .              | 22,660           | 21,099           | 21,357           |
| Constr. (\$)—Res. . . . .                   | 0                | 481              | 0                | Constr. (\$)—Res. . . . .                 | 121              | 32               | 689              |
| —Nonres. . . . .                            | 0                | 0                | 0                | —Nonres. . . . .                          | 544              | 249              | 30               |
| Deposits (\$) (2 of 3 banks)                | 90,552           | 79,988           | 89,013           | Deposits (\$) (7 of 12 banks)             | 452,447          | 423,041          | 371,171          |
| <b>AURORA (1982 pop. 178,665)</b>           |                  |                  |                  | <b>ESTES PARK (1982 pop. 2,934)</b>       |                  |                  |                  |
| Electric Power (kwh) . . . .                | 98,547           | 85,462           | 86,752           | Electric Power (kwh) . . . .              | 5,467            | 4,452            | 5,108            |
| Constr. (\$)—Res. . . . .                   | 17,173           | 20,506           | 13,271           | Constr. (\$)—Res. . . . .                 | 0                | 607              | 106              |
| —Nonres. . . . .                            | 1,563            | 5,195            | 12,014           | —Nonres. . . . .                          | 0                | 44               | 0                |
| Deposits (\$) (10 of 14 banks)              | 285,635          | 288,631          | 228,590          | Deposits (\$) (2 of 2 banks)              | 41,051           | 41,631           | 37,717           |
| <b>BOULDER (1982 pop. 80,651)</b>           |                  |                  |                  | <b>FORT COLLINS (1982 pop. 68,307)</b>    |                  |                  |                  |
| Electric Power (kwh) . . . .                | 58,731           | 57,557           | 55,681           | Electric Power (kwh) . . . .              | 48,028           | 40,470           | 44,117           |
| Constr. (\$)—Res. . . . .                   | 4,029            | 3,041            | 1,102            | Constr. (\$)—Res. . . . .                 | 2,292            | 4,792            | 2,634            |
| —Nonres. . . . .                            | 1,760            | 3,300            | 0                | —Nonres. . . . .                          | 1,723            | 130              | 922              |
| Deposits (\$) (10 of 10 banks)              | 609,816          | 604,982          | 487,676          | Deposits (\$) (8 of 8 banks)              | 466,461          | 416,518          | 405,947          |
| <b>BRIGHTON (1982 pop. 13,239)</b>          |                  |                  |                  | <b>FORT MORGAN (1982 pop. 8,913)</b>      |                  |                  |                  |
| Electric Power (kwh) . . . .                | 5,553            | 4,746            | 5,390            | Electric Power (kwh) . . . .              | 9,525            | 7,574            | 9,759            |
| Constr. (\$)—Res. . . . .                   | 0                | 105              | 0                | Constr. (\$)—Res. . . . .                 | 0                | 108              | 106              |
| —Nonres. . . . .                            | 113              | 26               | 0                | —Nonres. . . . .                          | 0                | 0                | 158              |
| Deposits (\$) (2 of 2 banks)                | 71,279           | 67,905           | 56,604           | Deposits (\$) (3 of 3 banks)              | 104,754          | 99,883           | 91,869           |
| <b>BROOMFIELD (1982 pop. 22,452)</b>        |                  |                  |                  | <b>GLENWOOD SPRINGS (1982 pop. 5,000)</b> |                  |                  |                  |
| Electric Power (kwh) . . . .                | 10,923           | 11,779           | 10,665           | Electric Power (kwh) . . . .              | 5,698            | 4,822            | 5,254            |
| Constr. (\$)—Res. . . . .                   | 865              | 1,483            | n.r.             | Constr. (\$)—Res. . . . .                 | 89               | 210              | 0                |
| —Nonres. . . . .                            | 0                | 0                | n.r.             | —Nonres. . . . .                          | 11               | 268              | 509              |
| Deposits (\$) (2 of 2 banks)                | 65,774           | 65,523           | 58,055           | Deposits (\$) (3 of 3 banks)              | 127,397          | 126,286          | 126,619          |
| <b>CANON CITY (1982 pop. 13,576)</b>        |                  |                  |                  | <b>GOLDEN (1982 pop. 13,109)</b>          |                  |                  |                  |
| Electric Power (kwh) . . . .                | 24,156           | 22,792           | 23,886           | Electric Power (kwh) . . . .              | 6,607            | 5,953            | 6,235            |
| Constr. (\$)—Res. . . . .                   | 213              | 30               | 70               | Constr. (\$)—Res. . . . .                 | 365              | 1,255            | 225              |
| —Nonres. . . . .                            | 5                | 0                | 212              | —Nonres. . . . .                          | 0                | 498              | 1,730            |
| Deposits (\$) (3 of 3 banks)                | 114,517          | 112,370          | 103,307          | Deposits (\$) (3 of 3 banks)              | 170,743          | 161,118          | 138,428          |
| <b>COLORADO SPRINGS (1982 pop. 230,553)</b> |                  |                  |                  | <b>GRAND JUNCTION (1982 pop. 32,082)</b>  |                  |                  |                  |
| Electric Power (kwh) . . . .                | 182,196          | 170,806          | 165,804          | Electric Power (kwh) . . . .              | 20,425           | 18,563           | 19,003           |
| Constr. (\$)—Res. . . . .                   | 26,357           | 16,502           | 16,431           | Constr. (\$)—Res. . . . .                 | 160              | 108              | 418              |
| —Nonres. . . . .                            | 9,343            | 11,339           | 7,180            | —Nonres. . . . .                          | 7                | 1,125            | 814              |
| Deposits (\$) (17 of 20 banks)              | 1,116,566        | 1,082,812        | 950,457          | Deposits (\$) (5 of 5 banks)              | 347,208          | 344,993          | 348,201          |
| <b>COMMERCE CITY (1982 pop. 16,412)</b>     |                  |                  |                  | <b>GREELEY (1982 pop. 54,063)</b>         |                  |                  |                  |
| Electric Power (kwh) . . . .                | 29,272           | 28,893           | 8,923*           | Electric Power (kwh) . . . .              | 28,176           | 29,491           | 27,550           |
| Constr. (\$)—Res. . . . .                   | 261              | 214              | 142              | Constr. (\$)—Res. . . . .                 | 1,231            | 1,421            | 873              |
| —Nonres. . . . .                            | 85               | 1,421            | 262              | —Nonres. . . . .                          | 5,552            | 163              | 18               |
| Deposits (\$) (1 of 1 bank)                 | 29,273           | 28,821           | 26,776           | Deposits (\$) (9 of 9 banks)              | 503,970          | 477,564          | 451,354          |
| <b>CORTEZ (1982 pop. 7,489)</b>             |                  |                  |                  | <b>GUNNISON (1982 pop. 6,031)</b>         |                  |                  |                  |
| Electric Power (kwh) . . . .                | 4,443            | 3,637            | 4,026            | Electric Power (kwh) . . . .              | 4,898            | 4,158            | 4,639            |
| Constr. (\$)—Res. . . . .                   | 1,223            | 140              | 34               | Constr. (\$)—Res. . . . .                 | 0                | 0                | 0                |
| —Nonres. . . . .                            | 27               | 28               | 0                | —Nonres. . . . .                          | 0                | 0                | 0                |
| Deposits (\$) (3 of 3 banks)                | 96,434           | 94,678           | 83,315           | Deposits (\$) (2 of 2 banks)              | 52,518           | 58,120           | 45,400           |
| <b>CRAIG (1982 pop. 10,000)</b>             |                  |                  |                  | <b>LA JUNTA (1982 pop. 8,338)</b>         |                  |                  |                  |
| Electric Power (kwh) . . . .                | 4,856            | 4,000            | 4,983            | Electric Power (kwh) . . . .              | 5,174            | 4,616            | 4,693            |
| Constr. (\$)—Res. . . . .                   | 0                | 0                | 0                | Constr. (\$)—Res. . . . .                 | 0                | 0                | 0                |
| —Nonres. . . . .                            | 0                | 0                | 0                | —Nonres. . . . .                          | 0                | 0                | 0                |
| Deposits (\$) (2 of 2 banks)                | 61,668           | 62,232           | 61,105           | Deposits (\$) (2 of 2 banks)              | 62,230           | 54,049           | 49,748           |

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# LOCAL BUSINESS CONDITIONS—Continued

|                                               | December<br>1983 | November<br>1983 | December<br>1982 |                                       | December<br>1983 | November<br>1983 | December<br>1982 |
|-----------------------------------------------|------------------|------------------|------------------|---------------------------------------|------------------|------------------|------------------|
| <b>LAFAYETTE (1982 pop. 10,115)</b>           |                  |                  |                  | <b>ROCKY FORD (1982 pop. 4,574)</b>   |                  |                  |                  |
| Electric Power (kwh) . . . .                  | 3,624            | 2,985            | 3,231            | Electric Power (kwh) . . . .          | 5,943            | 4,980            | 5,519            |
| Constr. (\$)—Res. . . . .                     | 755              | 552              | 1,274            | Constr. (\$)—Res. . . . .             | 0                | 28               | 0                |
| —Nonres. . . . .                              | 0                | 345              | 0                | —Nonres. . . . .                      | 0                | 0                | 0                |
| Deposits (\$) (1 of 1 bank)                   | 17,603           | 17,083           | 15,855           | Deposits (\$) (1 of 2 banks)          | 14,879           | 15,095           | 14,518           |
| <b>LAKEWOOD (1982 pop. 117,436)</b>           |                  |                  |                  | <b>SALIDA (1982 pop. 4,478)</b>       |                  |                  |                  |
| Electric Power (kwh) . . . .                  | 63,879           | 56,687           | 61,461           | Electric Power (kwh) . . . .          | 2,013            | 1,919            | 1,936            |
| Constr. (\$)—Res. . . . .                     | 5,268            | 6,193            | 3,651            | Constr. (\$)—Res. . . . .             | 0                | 8C               | 0                |
| —Nonres. . . . .                              | 1,057            | 377              | 434              | —Nonres. . . . .                      | 0                | 0                | 0                |
| Deposits (\$) (12 of 12 banks)                | 586,994          | 568,145          | 534,751          | Deposits (\$) (2 of 2 banks)          | 39,138           | 38,839           | 41,107           |
| <b>LAMAR (1982 pop. 7,793)</b>                |                  |                  |                  | <b>STERLING (1982 pop. 11,470)</b>    |                  |                  |                  |
| Electric Power (kwh) . . . .                  | 6,029            | 5,954            | 6,210            | Electric Power (kwh) . . . .          | 6,308            | 5,763            | 6,350            |
| Constr. (\$)—Res. . . . .                     | 56               | 261              | 176              | Constr. (\$)—Res. . . . .             | 0                | 133              | 705              |
| —Nonres. . . . .                              | 0                | 0                | 103              | —Nonres. . . . .                      | 0                | 0                | 17               |
| Deposits (\$) (2 of 2 banks)                  | 84,204           | 83,474           | 74,958           | Deposits (\$) (3 of 3 banks)          | 148,847          | 145,610          | 142,485          |
| <b>LITTLETON (1982 pop. 30,001)</b>           |                  |                  |                  | <b>THORNTON (1982 pop. 44,130)</b>    |                  |                  |                  |
| Electric Power (kwh) . . . .                  | 18,805           | 16,476           | 16,132           | Electric Power (kwh) . . . .          | 19,663           | 14,597           | 16,239           |
| Constr. (\$)—Res. . . . .                     | 517              | 958              | 2,115            | Constr. (\$)—Res. . . . .             | 1,559            | 3,351            | 971              |
| —Nonres. . . . .                              | 721              | 164              | 961              | —Nonres. . . . .                      | 1,680            | 110              | 0                |
| Deposits (\$) (9 of 11 banks)                 | 255,529          | 180,509*         | 209,463          | Deposits (\$) (1 of 1 bank)           | 29,579           | 29,055           | 24,814           |
| <b>LONGMONT (1982 pop. 46,313)</b>            |                  |                  |                  | <b>TRINIDAD (1982 pop. 9,900)</b>     |                  |                  |                  |
| Electric Power (kwh) . . . .                  | 26,222           | 23,194           | 21,704           | Electric Power (kwh) . . . .          | 3,093            | 2,981            | 3,123            |
| Constr. (\$)—Res. . . . .                     | 1,684            | 1,334            | 3,474            | Constr. (\$)—Res. . . . .             | 329              | 0                | 0                |
| —Nonres. . . . .                              | 1,653            | 492              | 1,881            | —Nonres. . . . .                      | 0                | 0                | 0                |
| Deposits (\$) (5 of 5 banks)                  | 221,169          | 221,477          | 190,376          | Deposits (\$) (2 of 2 banks)          | 59,587           | 58,123           | 53,406           |
| <b>LOUISVILLE (1982 pop. 6,067)</b>           |                  |                  |                  | <b>WESTMINSTER (1982 pop. 54,995)</b> |                  |                  |                  |
| Electric Power (kwh) . . . .                  | 10,594           | 10,376           | 9,763            | Electric Power (kwh) . . . .          | 25,013           | 22,735           | 21,710           |
| Constr. (\$)—Res. . . . .                     | 3,905            | 575              | 4,107            | Constr. (\$)—Res. . . . .             | 6,266            | 7,195            | 6,026            |
| —Nonres. . . . .                              | 53               | 0                | 0                | —Nonres. . . . .                      | 0                | 1,181            | 0                |
| Deposits (\$) (2 of 2 banks)                  | 27,748           | 27,673           | 21,229           | Deposits (\$) (3 of 3 banks)          | 103,956          | 105,020          | 92,085           |
| <b>LOVELAND (1982 pop. 30,962)</b>            |                  |                  |                  | <b>WHEAT RIDGE (1982 pop. 31,743)</b> |                  |                  |                  |
| Electric Power (kwh) . . . .                  | 24,959           | 21,374           | 19,748           | Electric Power (kwh) . . . .          | 24,906           | 22,754           | 22,323           |
| Constr. (\$)—Res. . . . .                     | 1,526            | 765              | 1,417            | Constr. (\$)—Res. . . . .             | 516              | 399              | 251              |
| —Nonres. . . . .                              | 339              | 0                | 59               | —Nonres. . . . .                      | 0                | 355              | 1,502            |
| Deposits (\$) (4 of 4 banks)                  | 156,782          | 151,184          | 138,398          | Deposits (\$) (2 of 2 banks)          | 98,124           | 94,040           | 82,435           |
| <b>MONTROSE (1982 pop. 8,895)<sup>b</sup></b> |                  |                  |                  |                                       |                  |                  |                  |
| Constr. (\$)—Res. . . . .                     | 88               | 185              | 112              |                                       |                  |                  |                  |
| —Nonres. . . . .                              | 0                | 833              | 38               |                                       |                  |                  |                  |
| Deposits (\$) (3 of 3 banks)                  | 117,595          | 114,159          | 103,822          |                                       |                  |                  |                  |
| <b>NORTHGLENN (1982 pop. 30,980)</b>          |                  |                  |                  |                                       |                  |                  |                  |
| Electric Power (kwh) . . . .                  | 12,649           | 10,519           | 10,576           |                                       |                  |                  |                  |
| Constr. (\$)—Res. . . . .                     | 0                | 56               | 540              |                                       |                  |                  |                  |
| —Nonres. . . . .                              | 0                | 0                | 0                |                                       |                  |                  |                  |
| Deposits (\$) (2 of 3 banks)                  | 75,692           | 73,438           | 62,399           |                                       |                  |                  |                  |
| <b>PUEBLO (1982 pop. 99,619)</b>              |                  |                  |                  |                                       |                  |                  |                  |
| Electric Power (kwh) . . . .                  | 53,057           | 45,000           | 50,037           |                                       |                  |                  |                  |
| Constr. (\$)—Res. . . . .                     | 176              | 146              | 364              |                                       |                  |                  |                  |
| —Nonres. . . . .                              | 208              | 324              | 3,731            |                                       |                  |                  |                  |
| Deposits (\$) (8 of 9 banks)                  | 412,765          | 397,785          | 374,497          |                                       |                  |                  |                  |

<sup>a</sup>Regional figures.

<sup>b</sup>Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.

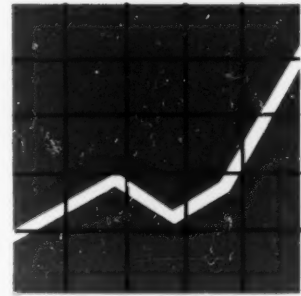
Construction figures are valuation of new residential and nonresidential construction only.

Deposit figures are total deposits in commercial banks as of last day of month.

n.r.—not reported

\*—preliminary data

r—revised data



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# Targeting Economic Capital Asset Formation with Certified Development Companies

Donald E. Reid, Jr. and Henry Wichmann, Jr.

In July 1980, the Small Business Investment Act was amended to recognize small businesses' need for long-term financing for plant construction and related fixed assets. That amendment provided the legislative groundwork for the Small Business Administration's certified development company (CDC) program. Under the CDC program certain local, regional, and/or state corporations can be formed to provide financing in defined economic target areas. The SBA certifies the corporation, approves its loans and acts as its agent to obtain the necessary funds to lend to small business concerns. This article explains how the SBA's newest business development programs affect small business entrepreneurs.

## HISTORY

Local development company loan programs are not new to the SBA and have been guided by a philosophy which encourages development of genuine community rapport, involvement in the growth of business activity, and creation of jobs. Perhaps the most visible economic development projects commenced under the old loan programs are those which resulted in the major ski resorts of Colorado, New Mexico, Montana, Utah, and Wyoming; however, numerous other loans were made to small firms under the old programs and the resulting firms are providing employment throughout the United States, including Alaska. The 503 CDC program now replaces the old loan programs (501 and 502 programs), but with much of the same intent.

The primary difference between the 503 CDC program and its predecessors is that the SBA no longer directly loans money for the acquisition of fixed assets. Under the 502 program, the SBA loaned money directly to a local development company; then the local development company provided a minimum of 20% of the project's cost and incorporated the SBA's monies into a total loan package to the small business concern. The small business concern and/or its principals were not supposed to provide any of the required funds under the old 501 and 502 loan programs. The 503 Certified Development Corporation loan program, however, provides for joint financing by private lending institutions and the CDC funds, together with CDC debenture funds guaranteed 100% by the SBA. The small business concern also may not participate in the project cost.

## PURPOSE OF A CERTIFIED DEVELOPMENT COMPANY

It is often difficult for small businesses to obtain the requisite financing for plant construction, conversion or

expansion, including the acquisition of site, building, machinery and equipment. The 503 CDC loan program is directed towards financing acquisition of plant assets (not working capital) in order to provide economic development in target areas. The CDC program is needed because private commercial lenders often desire projects in the million-dollar range, but ordinarily restrict such loans to a short or medium term (one to ten years). Under the CDC programs, loans may be for longer terms such as 25 years. The CDC program is also needed because the SBA direct lending program is limited to \$150,000 and the SBA cannot guarantee more than \$500,000 of a bank loan.

The new 503 program merges the community, private lender and SBA. For a typical package the participation is normally 50% conventional financing with first mortgage, 40% SBA guaranteed debenture with second mortgage and 10% injection by the CDC or small business concern. The maximum SBA guarantee (50% or \$500,000, whichever is less) may be obtained for the acquisition of project costs up to \$1 million per project. The SBA intends for these larger economic development projects to maintain and create employment opportunity. Alaska, for example, has a single 503 CDC called "Railbuilt Development Corporation," organized in 1983. A regional economic development company was organized because the population increase in Alaska (from 400,000 in 1980 to 500,000 in 1983) has resulted in a need for new economic opportunity along the railroad route (from Anchorage to Fairbanks).

## ORGANIZING A CERTIFIED DEVELOPMENT COMPANY

A certified development company must be organized as a corporation with a minimum of 25 members or stockholders within a defined area of operation. These 25 people must represent government, private lending institutions, community organizations, and business firms from the defined area of operation. The CDC must set up an office and keep it open to the public during normal business hours; a professional staff must be employed to package, process, close and service the CDC's loans. The CDC must also be able to furnish accounting and legal services to the small business concerns.

Once approved and operational, the CDC will be authorized to sell debentures for the benefit of an eligible small business concern with SBA's 100% guarantee. The CDC must then inject into the project an amount equal to at least 10% of the cost of its completion. This 10% injection may be from a variety of sources, including the small business concern being financed.

## SEEKING 503 ASSISTANCE

A small business concern which meets the fixed assets requirements as defined above is encouraged to contact a

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CDC for the purpose of preparing and funding a loan package to complete construction or expansion of its capital projects. The CDC staff will first determine whether the small business concern is eligible for SBA financing.

### Eligibility Standards

The eligibility standards are basically the same as those for other SBA programs, but are relaxed some to create economic development with the attendant increased job market. Two eligibility standards are unique under the CDC program: (1) the business's net worth may not exceed \$6 million, and its net profit after taxes must have averaged less than \$2 million during the previous two years; (2) a CDC is prohibited from owning any equity interest in a small business receiving Section 503 assistance.

The other SBA size and type of business eligibility standards for "regular" loan programs apply in addition to the above two criteria. These CDC standards include small- to medium-sized businesses organized for a profit.

### Financing Techniques

Once a small business concern is deemed eligible, a choice is made between the conduit and leasing approaches for providing financial assistance.

If the small business owns or is purchasing the fixed assets, the CDC acts as a conduit through which the various funding flows to the small business firm. The CDC staff arranges for a private commercial lender to provide the difference between its direct infusion and the funds generated by the sale of debentures needed to fulfill the project costs. The maximum amount that may be used for an SBA 100% guaranteed debenture is the lesser of \$500,000 or 50% of the total project cost.

Under the lease approach the CDC may own the property and lease it to the eligible small business concern. The lease may or may not contain a lease-purchase agreement or an option to purchase. The CDC would use the same funding as described above to purchase, construct or renovate property for the small business concern with a lease for at least the term of the loan.

### Illustrations of Financing

Three financing illustrations are used to develop a better understanding of how a CDC finances either small business long-term loans (up to 25 years) or leases for capital assets. Illustration 1 is for a \$750,000 project; Illustration 2 is for a \$1,000,000 project; Illustration 3 is for a \$5,000,000 project.<sup>a</sup> Remember, the four major sources of financing may include the bank, SBA-guaranteed debenture, CDC, and small business. The small business may put up money to finance the fixed assets, but is not required to contribute financing as long as the CDC and small business share is at least 10%.

### QUALIFIED EXPENDITURE OF CDC FINANCING

Two types of capital project costs may be financed by CDCs. "Hard costs" include acquisition of land and buildings; construction, expansion, renovation, and moderniza-

### ILLUSTRATION 1

#### EXAMPLE OF A \$750,000 FINANCIAL PACKAGE<sup>a</sup>

| Percentage Financed | Amount Financed | Source of Financing      | Security        |
|---------------------|-----------------|--------------------------|-----------------|
| 50%                 | \$375,000       | Bank                     | First mortgage  |
| 40                  | 300,000         | SBA-guaranteed debenture | Second mortgage |
| 10                  | 75,000          | CDC                      | Third mortgage  |
| Total               | \$750,000       |                          |                 |

<sup>a</sup>Information is assumed under SBA guidelines. No limits exist on the amount the bank and CDC may finance. The 100% SBA-guaranteed debenture is limited to the lesser of 50% or \$500,000 for each small business financed.

### ILLUSTRATION 2

#### EXAMPLE OF A \$1,000,000 FINANCIAL PACKAGE<sup>a</sup>

| Percentage Financed | Amount Financed | Source of Financing      | Security                                 |
|---------------------|-----------------|--------------------------|------------------------------------------|
| 40%                 | \$400,000       | Bank                     | First mortgage                           |
| 50                  | 500,000         | SBA-guaranteed debenture | Second mortgage                          |
| 7                   | 70,000          | CDC                      | Third mortgage                           |
| 3                   | 30,000          | Small business           | Last rights to property upon liquidation |
| Total               | \$1,000,000     |                          |                                          |

<sup>a</sup>Information is assumed under SBA guidelines. Notice that the SBA has financed to its maximum limits in the above example. Also, the small business has contributed financing.

### ILLUSTRATION 3

#### EXAMPLE OF A \$5,000,000 FINANCIAL PACKAGE<sup>a</sup>

| Percentage Financed | Amount Financed | Source of Financing      | Security        |
|---------------------|-----------------|--------------------------|-----------------|
| 60%                 | \$3,000,000     | Bank                     | First mortgage  |
| 10                  | 500,000         | SBA-guaranteed debenture | Second mortgage |
| 30                  | 1,500,000       | CDC                      | Third mortgage  |
| Total               | \$5,000,000     |                          |                 |

<sup>a</sup>Information is assumed under SBA guidelines. Notice that the SBA is limited to \$500,000 for each small business financed.

tion of plant assets; and acquisition of machinery and equipment. Reasonable contingencies are also included in hard costs. "Soft costs" include interim interest costs on financing and professional fees for services such as appraisals, surveying, accounting, engineering, and architectural services.

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## ADVANTAGES OF 503 FINANCING

The three major advantages to a bank, a community and to a small business concern in obtaining 503 financing are the following:

### Bank

- Security—first mortgage position
- Account activity
- Customer service

### City

- Stimulate tax base
- Increase employment opportunities
- Stimulate economic growth

### Company

- Longer term loan
- Lower rate of interest
- Lower down payment

## SBA INVOLVEMENT

The small business concern must complete an application which includes the same information required for the customary SBA loan:

1. A description and history of the business.
2. Statements detailing exact uses and anticipated benefits from the financing.
3. SBA Form 912 (personal history) on all officers, directors, and owners (only owners with 20% or more interest).
4. A balance sheet and income statement for the current year and previous three years.
5. Pro forma balance sheet and income statement for two years.
6. A monthly cash flow forecast for the first 12 months, or 3 months beyond the break-even point.
7. SBA Form 413 (personal financial statements) for each officer and owner (20% or more interest).
8. Resumes of principals.
9. Names of affiliates and/or subsidiary firms.
10. A list of existing loans by the small business, along with details on starting date, total amount, interest rate, monthly payments, maturity, and security.
11. Franchised businesses should include a copy of the franchise agreement.
12. If the small business is organized as a corporation, a resolution is needed from the board of directors authorizing the small business concern to borrow.

All the above forms, exhibits, and lists must be signed and dated. This information is combined with an application from the CDC containing the following: (1) a statement concerning the purpose of the loan and its potential impact on the community; (2) a letter from the participating bank outlining its terms and conditions and the reason it will not finance the entire project; (3) a list of collateral to be offered as security with an outside appraisal; and (4) the source of the development company injection into the project. The SBA also requires that the contract between the CDC and the small business concern be presented to the SBA in order to determine the acceptability of the terms including the costs charged by the CDC.

Using the above information, the SBA may guarantee 100% of a debenture, not to exceed 25 years, \$500,000 or

50% of the capital project's total cost. The rate of interest on the debenture shall be let by the Secretary of the Treasury and shall be determined from month to month (at a fixed rate on each debenture). In recent months it has been approximately 12%. The SBA then acts as an agent for the CDC and sells the debenture to the Federal Financing Bank, an instrumentality of the Federal Government.

## CONCLUSION

The 503 CDC loan program has been designed by Congress to integrate the federal and private sectors for the purpose of stimulating economic growth. The Small Business Administration provides the tools and cohesive strength to fulfill the long-term credit gap for small and medium businesses through the CDC loan program. The private sector provides the connection with small businesses and expertise to aid it in the development of new capital projects, as well as the follow-through after the funds have been injected into the capital project. The Small Business Administration is seeking the creation of one job or the retention of a job per \$15,000 of 503 debenture amount. The U.S. Government hopes to stimulate small business development by encouraging public and private sectors to work together through CDCs to stimulate defined economic target areas, thereby providing increased job opportunities, increased national income and tax revenues, and some groundwork for future economic growth.

Colorado currently has six certified development companies. These are listed below with their target area of operation.

## CERTIFIED DEVELOPMENT COMPANIES IN COLORADO

| <u>Company Name</u>                              | <u>Telephone</u> | <u>Target Area</u>            |
|--------------------------------------------------|------------------|-------------------------------|
| Original Aurora and Colorado Development Company | 344-5257         | Statewide                     |
| Old Colorado City Development Company            | 578-6962         | El Paso County                |
| Western Slope Economic Development Company       | 242-3647         | 21 counties in Western Colo.  |
| Manitou Springs Development Company              | 685-9456         | City of Manitou Springs       |
| SCEDD Development Company                        | 545-8680         | 19 counties in Southern Colo. |
| Southern Colorado Local Development Company      | 544-7133         | Pueblo County                 |

## REFERENCES

- U.S. Small Business Administration Financial Assistance Division, *Certified Development Company Program: Program Guide*, U.S. Government Printing Office, September 1982.
- U.S. Small Business Administration Financial Assistance Division, *Loans to Local Development Companies*, U.S. Government Printing Office, May 1977.



**COLORADO BUSINESS INDICATORS**  
(Figures in Thousands Unless Otherwise Indicated)

|                                                                           | January<br>1984 | December<br>1983 | January<br>1983 | Percent Change<br>January 1984 from<br>December 1983      January 1983 |       |
|---------------------------------------------------------------------------|-----------------|------------------|-----------------|------------------------------------------------------------------------|-------|
| Total Civilian Labor Force (by place of residence) <sup>a</sup> . . . . . | 1,657.3         | 1,673.8          | 1,598.8         | - 1.0                                                                  | 3.7   |
| Unemployment . . . . .                                                    | 100.8           | 96.2             | 133.9           | 4.8                                                                    | -24.7 |
| Unemployment Rate (percent) . . . . .                                     | 6.1             | 5.7              | 8.4             | -                                                                      | -     |
| Employment . . . . .                                                      | 1,556.5         | 1,577.6          | 1,464.9         | - 1.3                                                                  | 6.3   |
| Nonagricultural Wage and Salary . . . . .                                 | 1,537.3         | 1,552.1          | 1,445.5         | - 1.0                                                                  | 6.4   |
| Agricultural . . . . .                                                    | 19.2            | 25.5             | 19.4            | -24.7                                                                  | - 1.0 |
| <hr/>                                                                     |                 |                  |                 |                                                                        |       |
| Total Nonagricultural Wage and Salary                                     |                 |                  |                 |                                                                        |       |
| Employment (by place of work) <sup>a</sup> . . . . .                      | 1,329.7         | 1,351.8          | 1,292.8         | - 1.6                                                                  | 2.9   |
| Mining . . . . .                                                          | 37.3            | 37.1             | 37.5            | 0.5                                                                    | - 0.5 |
| Metallic Minerals . . . . .                                               | 6.0             | 5.9              | 6.2             | 1.7                                                                    | - 3.2 |
| Bituminous Coal, Lignite, and Nonmetallic . . . . .                       | 4.8             | 4.7              | 4.5             | 2.1                                                                    | 6.7   |
| Oil and Gas Extraction . . . . .                                          | 26.4            | 26.6             | 26.8            | - 0.8                                                                  | - 1.5 |
| Contract Construction . . . . .                                           | 78.0            | 82.5             | 75.7            | - 5.5                                                                  | 3.0   |
| Manufacturing . . . . .                                                   | 183.6           | 183.8            | 176.2           | - 0.1                                                                  | 4.2   |
| Lumber, Wood Products, and Furniture . . . . .                            | 6.1             | 6.3              | 5.8             | - 3.2                                                                  | 5.2   |
| Stone, Clay, Glass, and Concrete Products . . . . .                       | 9.4             | 9.4              | 8.8             | 0.0                                                                    | 6.8   |
| Primary and Fabricated Metals . . . . .                                   | 14.3            | 14.1             | 14.2            | 1.4                                                                    | 0.7   |
| Machinery, Except Electrical . . . . .                                    | 28.5            | 28.4             | 24.9            | 0.4                                                                    | 14.5  |
| Electric and Electronic Equipment . . . . .                               | 19.6            | 19.1             | 18.3            | 2.6                                                                    | 7.1   |
| Transportation Equipment . . . . .                                        | 13.7            | 13.6             | 13.8            | 0.7                                                                    | - 0.7 |
| Other Durable Goods . . . . .                                             | 27.5            | 28.0             | 27.9            | - 1.8                                                                  | 1.4   |
| Food and Kindred Products . . . . .                                       | 24.0            | 24.4             | 23.4            | - 1.6                                                                  | 2.6   |
| Textiles and Apparel . . . . .                                            | 3.0             | 3.1              | 2.9             | - 3.2                                                                  | 3.4   |
| Paper and Allied Products . . . . .                                       | 2.1             | 2.1              | 2.0             | 0.0                                                                    | 5.0   |
| Printing and Publishing . . . . .                                         | 19.2            | 19.4             | 18.6            | - 1.0                                                                  | 3.2   |
| Chemicals and Allied Products . . . . .                                   | 8.0             | 7.9              | 7.6             | 1.3                                                                    | 5.3   |
| Other Nondurable Goods . . . . .                                          | 8.1             | 8.1              | 7.9             | 0.0                                                                    | 2.5   |
| Finance, Insurance, and Real Estate . . . . .                             | 86.9            | 86.8             | 84.3            | 0.1                                                                    | 3.1   |
| Banking . . . . .                                                         | 22.2            | 22.3             | 22.2            | - 0.4                                                                  | 0.0   |
| Credit Agencies Other than Banks . . . . .                                | 14.9            | 14.8             | 13.6            | 0.7                                                                    | 9.6   |
| Insurance Carriers, Agents, and Brokers . . . . .                         | 20.8            | 20.8             | 20.6            | 0.0                                                                    | 1.0   |
| Real Estate and Combination Offices . . . . .                             | 21.6            | 21.5             | 21.6            | 0.5                                                                    | 0.0   |
| Other Finance, Insurance, and Real Estate . . . . .                       | 7.4             | 7.4              | 6.4             | 0.0                                                                    | 15.6  |
| Transportation and Public Utilities . . . . .                             | 84.6            | 85.4             | 83.9            | - 0.9                                                                  | 0.8   |
| Railroad Transportation . . . . .                                         | 5.8             | 5.8              | 5.7             | 0.0                                                                    | 1.8   |
| Trucking and Warehousing . . . . .                                        | 16.7            | 17.7             | 16.5            | - 5.6                                                                  | 1.2   |
| Air Transportation . . . . .                                              | 14.6            | 14.4             | 14.6            | 1.4                                                                    | 0.0   |
| Other Transportation . . . . .                                            | 6.6             | 6.6              | 6.6             | 0.0                                                                    | 0.0   |
| Communications, Electric, Gas, and Sanitary Services . . . . .            | 41.0            | 41.0             | 40.6            | 0.0                                                                    | 1.0   |
| Trade . . . . .                                                           | 325.9           | 335.8            | 316.0           | - 2.9                                                                  | 3.1   |
| Wholesale Trade . . . . .                                                 | 78.1            | 79.2             | 76.3            | - 1.4                                                                  | 2.4   |
| Retail Trade . . . . .                                                    | 247.8           | 256.6            | 239.7           | - 3.4                                                                  | 3.4   |
| Services . . . . .                                                        | 294.0           | 293.6            | 281.5           | 0.1                                                                    | 4.4   |
| Lodging and Combination Lodging/Eating Places . . . . .                   | 26.2            | 26.1             | 24.5            | 0.4                                                                    | 6.9   |
| Personal Services . . . . .                                               | 15.7            | 15.1             | 15.0            | 4.0                                                                    | 4.7   |
| Business Services . . . . .                                               | 58.3            | 58.3             | 53.5            | 0.0                                                                    | 9.0   |
| Auto and Miscellaneous Repair Services . . . . .                          | 14.2            | 14.4             | 14.1            | - 1.4                                                                  | 0.7   |
| Amusements and Recreation . . . . .                                       | 19.4            | 19.2             | 18.6            | 1.0                                                                    | 4.3   |
| Health Services . . . . .                                                 | 75.2            | 75.2             | 73.6            | 0.0                                                                    | 2.2   |
| Educational Services . . . . .                                            | 10.9            | 10.8             | 10.8            | 0.9                                                                    | 0.9   |
| Membership Organizations . . . . .                                        | 21.0            | 20.9             | 20.3            | 0.5                                                                    | 3.4   |
| Other Services . . . . .                                                  | 53.1            | 53.7             | 51.1            | - 1.1                                                                  | - 3.8 |
| Government . . . . .                                                      | 239.5           | 246.7            | 237.7           | - 2.9                                                                  | 0.8   |
| Federal . . . . .                                                         | 51.9            | 52.4             | 50.9            | - 1.0                                                                  | 2.0   |
| State . . . . .                                                           | 53.8            | 58.9             | 53.5            | - 8.7                                                                  | 0.6   |
| Local . . . . .                                                           | 133.7           | 135.5            | 133.3           | - 1.3                                                                  | 0.3   |

|                                                                | January<br>1984 | December<br>1983 | January<br>1983 | Percent Change<br>January 1984 |                 |
|----------------------------------------------------------------|-----------------|------------------|-----------------|--------------------------------|-----------------|
|                                                                |                 |                  |                 | December<br>1983               | January<br>1983 |
| <b>Average Weekly Hours</b>                                    |                 |                  |                 |                                |                 |
| Construction . . . . .                                         | 36.5            | 37.2             | 37.5            | - 1.9                          | - 2.7           |
| Manufacturing . . . . .                                        | 39.9            | 41.3             | 39.0            | - 3.4                          | 2.3             |
| Durable Goods . . . . .                                        | 40.5            | 42.0             | 39.7            | - 3.6                          | 2.0             |
| Nondurable Goods . . . . .                                     | 38.9            | 40.2             | 37.9            | - 3.2                          | 2.6             |
| <b>Average Weekly Earnings (\$)</b>                            |                 |                  |                 |                                |                 |
| Construction . . . . .                                         | 480.70          | 491.04           | 514.50          | - 2.1                          | - 6.6           |
| Manufacturing . . . . .                                        | 366.68          | 380.37           | 343.98          | - 3.6                          | 6.6             |
| Durable Goods . . . . .                                        | 381.91          | 399.00           | 353.73          | - 4.3                          | 8.0             |
| Nondurable Goods . . . . .                                     | 342.32          | 351.75           | 328.59          | - 2.7                          | 4.2             |
| Initial Unemployment Claims (000) . . . . .                    | 17.5            | 22.8             | 29.1            | -23.3                          | -39.9           |
| Bankruptcies, All Types (number) . . . . .                     | 400             | 461              | 394             | -13.2                          | 1.5             |
| Total State Revenue (\$000) . . . . .                          | 402,106         | 488,298          | 379,120         | -17.7                          | 6.1             |
| Total State Expenditures (\$000) . . . . .                     | 349,065         | 444,251          | 347,606         | -21.4                          | 0.4             |
| Crude Oil Production (thous bbls.) . . . . .                   | n.r.            | 2,350r           | 2,501           | —                              | —               |
| Dry Gas Production (mil. cu. ft.) . . . . .                    | n.r.            | 15,595r          | 15,551          | —                              | —               |
| Coal Production . . . . .                                      | 1 376.5         | 1,350.3          | 1,389.8         | 1.9                            | - 1.0           |
| New Oil and Gas Wells (number) . . . . .                       | n.r.            | 239              | 109             | —                              | —               |
| Natural Gas Used (bil. cu. ft.) . . . . .                      | 27.0            | 30.1             | 23.1            | -10.3                          | 16.9            |
| <b>Electrical Power Sales (mil. kwh)</b>                       |                 |                  |                 |                                |                 |
| Residential . . . . .                                          | 752.1           | 646.8            | 653.4           | 16.3                           | 15.1            |
| Nonresidential . . . . .                                       | 1,046.3         | 1,022.4          | 10,47.5         | 2.3                            | - 0.1           |
| <b>New Construction, 122 places</b>                            |                 |                  |                 |                                |                 |
| Residential permits (number) . . . . .                         | 1,876           | 1,854            | 1,964           | 1.2                            | - 4.5           |
| Residential value (\$000) . . . . .                            | 128,122         | 126,955          | 105,112         | 0.9                            | 21.9            |
| Nonresidential permits (number) . . . . .                      | 211             | 280              | 285             | -24.6                          | -26.0           |
| Nonresidential value (\$000) . . . . .                         | 40,916          | 66,684           | 58,636          | -38.6                          | -30.2           |
| Highway Contractor Payments (\$000) . . . . .                  | 4,493           | 10,249           | 5,109           | -56.2                          | -12.1           |
| Savings and Loan Net New Savings (\$000,000) . . . . .         | 164.5           | 17.5             | 228.6r          | 840.0                          | -28.0           |
| National Park Recreational Visits—10 Areas (000) . . . . .     | n.r.            | 54.7             | 125.8           | —                              | —               |
| Motor Vehicle Title Applications (000) . . . . .               | 82.7            | 96.2             | 79.1            | -14.0                          | 4.6             |
| <b>Highway Vehicle Traffic Counts at Border</b>                |                 |                  |                 |                                |                 |
| Stations (daily average) . . . . .                             | 26,931          | 29,111           | 28,067          | - 7.5                          | - 4.1           |
| Air Passengers, Stapleton (000) <sup>b</sup> . . . . .         | 1,965           | 1,962            | 2,082           | 0.2                            | - 5.6           |
| Air Freight and Air Express, Stapleton (thous. lbs.) . . . . . | 19,188          | 25,752           | 23,560          | -25.5                          | -18.6           |
| <b>Prices Received by Farmers (\$)</b>                         |                 |                  |                 |                                |                 |
| Beef Cattle (per cwt) . . . . .                                | 65.10           | 62.50            | 59.30           | 4.2                            | 9.8             |
| Lambs (per cwt) . . . . .                                      | 60.60           | 60.00            | 55.30           | 1.0                            | 9.6             |
| Wheat (per bu.) . . . . .                                      | 3.14            | 3.26             | 3.49            | - 3.7                          | -10.0           |
| Corn (per bu.) . . . . .                                       | 3.06            | 3.12             | 2.59            | - 1.9                          | 18.2            |
| Potatoes (per cwt) . . . . .                                   | 6.65            | 4.75             | 3.75            | 40.0                           | 77.3            |
| Wool . . . . .                                                 | .69             | .67              | .77             | 3.0                            | -10.4           |

NOTES      An asterisk (\*) indicates preliminary data subject to revision.  
              Revised data are marked (r).  
              n.r.—not reported.

<sup>a</sup>Employment figures have been updated to a March 1983 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a December 1981 benchmark. Thus, these data are not comparable to that published prior.

<sup>b</sup>Includes scheduled airlines, commuter airlines and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Referee in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from 17 individual companies.

New Construction from Bureau of the Census, U.S. Department of Commerce.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

Recreational Visits from National Park Service, Denver.

Highway Traffic counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.

**LOCAL BUSINESS CONDITIONS**  
(All Figures in Thousands)

|                                             | January<br>1984 | December<br>1983 | January<br>1983 |                                           | January<br>1984 | December<br>1983 | January<br>1983 |
|---------------------------------------------|-----------------|------------------|-----------------|-------------------------------------------|-----------------|------------------|-----------------|
| <b>ALAMOSA (1982 pop. 7,182)</b>            |                 |                  |                 | <b>DENVER (1982 pop. 500,600)</b>         |                 |                  |                 |
| Electric Power (kwh) . . . .                | 3,655           | 3,520            | 3,796           | Electric Power (kwh) . . . .              | 382,639         | 365,203          | 357,036         |
| Constr. (\$)—Res. . . . .                   | 0               | 0                | 0               | Constr. (\$)—Res. . . . .                 | 4,576           | 8,802            | 3,637           |
| —Nonres. . . . .                            | 0               | 0                | 0               | —Nonres. . . . .                          | 658             | 380              | 7,705           |
| Deposits (\$) (2 of 2 banks)                | 51,106          | 52,417           | 50,611          | Deposits (\$) (45 of 48 banks)            | 7,461,625       | 7,809,926        | 7,375,206       |
| <b>ARVADA (1982 pop. 91,262)</b>            |                 |                  |                 | <b>DURANGO (1982 pop. 12,276)</b>         |                 |                  |                 |
| Electric Power (kwh) . . . .                | 33,445          | 30,636           | 29,749          | Electric Power (kwh) . . . .              | 9,936           | 6,254            | 7,858           |
| Constr. (\$)—Res. . . . .                   | 3,131           | 2,537            | 1,045           | Constr. (\$)—Res. . . . .                 | 49              | 110              | 0               |
| —Nonres. . . . .                            | 321             | 0                | 227             | —Nonres. . . . .                          | 15              | 25               | 0               |
| Deposits (\$) (4 of 5 banks)                | 112,686         | 115,595          | 96,580          | Deposits (\$) (4 of 4 banks)              | 142,353         | 144,581          | 121,670         |
| <b>ASPEN (1982 pop. 4,081)</b>              |                 |                  |                 | <b>ENGLEWOOD (1982 pop. 30,555)</b>       |                 |                  |                 |
| Electric Power (kwh) . . . .                | 5,157           | 3,999            | 4,266           | Electric Power (kwh) . . . .              | 23,848          | 22,660           | 21,528          |
| Constr. (\$)—Res. . . . .                   | 0               | 0                | 0               | Constr. (\$)—Res. . . . .                 | 100             | 121              | 0               |
| —Nonres. . . . .                            | 0               | 0                | 0               | —Nonres. . . . .                          | 3,252           | 544              | 309             |
| Deposits (\$) (3 of 3 banks)                | 106,634         | 109,571          | 102,649         | Deposits (\$) (10 of 14 banks)            | 453,180         | 465,941          | 377,018         |
| <b>AURORA (1982 pop. 178,665)</b>           |                 |                  |                 | <b>ESTES PARK (1982 pop. 2,934)</b>       |                 |                  |                 |
| Electric Power (kwh) . . . .                | 112,141         | 98,547           | 91,828          | Electric Power (kwh) . . . .              | 6,843           | 5,467            | 5,944           |
| Constr. (\$)—Res. . . . .                   | 18,298          | 17,173           | 12,954          | Constr. (\$)—Res. . . . .                 | 139             | 0                | 324             |
| —Nonres. . . . .                            | 3,227           | 1,563            | 2,072           | —Nonres. . . . .                          | 41              | 0                | 0               |
| Deposits (\$) (12 of 16 banks)              | 299,283         | 293,192          | 234,931         | Deposits (\$) (2 of 2 banks)              | 39,951          | 41,051           | 36,818          |
| <b>BOULDER (1982 pop. 80,651)</b>           |                 |                  |                 | <b>FORT COLLINS (1982 pop. 68,307)</b>    |                 |                  |                 |
| Electric Power (kwh) . . . .                | 61,232          | 58,731           | 61,617          | Electric Power (kwh) . . . .              | 53,077          | 48,028           | 46,390          |
| Constr. (\$)—Res. . . . .                   | 2,150           | 4,029            | 652             | Constr. (\$)—Res. . . . .                 | 4,558           | 2,298            | 1,270           |
| —Nonres. . . . .                            | 2,200           | 1,760            | 1,342           | —Nonres. . . . .                          | 5,540           | 1,723            | 288             |
| Deposits (\$) (10 of 10 banks)              | 607,811         | 609,816          | 501,019         | Deposits (\$) (9 of 9 banks)              | 433,056         | 466,461          | 399,252         |
| <b>BRIGHTON (1982 pop. 13,239)</b>          |                 |                  |                 | <b>FORT MORGAN (1982 pop. 8,913)</b>      |                 |                  |                 |
| Electric Power (kwh) . . . .                | 5,690           | 5,553            | 5,164           | Electric Power (kwh) . . . .              | 11,312          | 9,525            | 10,446          |
| Constr. (\$)—Res. . . . .                   | 574             | 0                | 79              | Constr. (\$)—Res. . . . .                 | 35              | 0                | 50              |
| —Nonres. . . . .                            | 0               | 113              | 0               | —Nonres. . . . .                          | 0               | 0                | 0               |
| Deposits (\$) (2 of 2 banks)                | 66,078          | 71,279           | 54,940          | Deposits (\$) (3 of 3 banks)              | 102,535         | 104,754          | 91,791          |
| <b>BROOMFIELD (1982 pop. 22,452)</b>        |                 |                  |                 | <b>GLENWOOD SPRINGS (1982 pop. 5,000)</b> |                 |                  |                 |
| Electric Power (kwh) . . . .                | 11,901          | 10,928           | 13,064          | Electric Power (kwh) . . . .              | 6,753           | 5,698            | 6,196           |
| Constr. (\$)—Res. . . . .                   | 151             | 865              | 326             | Constr. (\$)—Res. . . . .                 | 0               | 89               | 73              |
| —Nonres. . . . .                            | 857             | 0                | 0               | —Nonres. . . . .                          | 0               | 11               | 3,008           |
| Deposits (\$) (2 of 2 banks)                | 68,250          | 65,774           | 57,016          | Deposits (\$) (4 of 4 banks)              | 130,236         | 130,289          | 125,453         |
| <b>CANON CITY (1982 pop. 13,576)</b>        |                 |                  |                 | <b>GOLDEN (1982 pop. 13,109)</b>          |                 |                  |                 |
| Electric Power (kwh) . . . .                | 28,384          | 24,156           | n.r.            | Electric Power (kwh) . . . .              | 6,930           | 6,607            | 6,416           |
| Constr. (\$)—Res. . . . .                   | 29              | 213              | 25              | Constr. (\$)—Res. . . . .                 | 0               | 365              | 0               |
| —Nonres. . . . .                            | 0               | 5                | 0               | —Nonres. . . . .                          | 505             | 0                | 0               |
| Deposits (\$) (3 of 3 banks)                | 112,767         | 112,370          | 102,027         | Deposits (\$) (3 of 3 banks)              | 163,967         | 170,743          | 144,984         |
| <b>COLORADO SPRINGS (1982 pop. 230,553)</b> |                 |                  |                 | <b>GRAND JUNCTION (1982 pop. 32,082)</b>  |                 |                  |                 |
| Electric Power (kwh) . . . .                | 205,367         | 182,196          | 179,986         | Electric Power (kwh) . . . .              | 21,115          | 20,425           | 19,397          |
| Constr. (\$)—Res. . . . .                   | 13,001          | 26,357           | 15,691          | Constr. (\$)—Res. . . . .                 | 53              | 160              | 868             |
| —Nonres. . . . .                            | 11,604          | 9,343            | 21,395          | —Nonres. . . . .                          | 801             | 7                | 6,214           |
| Deposits (\$) (18 of 21 banks)              | 1,093,277       | 1,128,727        | 951,733         | Deposits (\$) (6 of 6 banks)              | 340,392         | 350,554          | 356,548         |
| <b>COMMERCE CITY (1982 pop. 16,412)</b>     |                 |                  |                 | <b>GREELEY (1982 pop. 54,063)</b>         |                 |                  |                 |
| Electric Power (kwh) . . . .                | 25,515          | 29,272           | 44,308          | Electric Power (kwh) . . . .              | 30,735          | 28,176           | 26,566          |
| Constr. (\$)—Res. . . . .                   | 611             | 261              | 392             | Constr. (\$)—Res. . . . .                 | 552             | 1,231            | 890             |
| —Nonres. . . . .                            | 0               | 85               | 0               | —Nonres. . . . .                          | 318             | 5,552            | 64              |
| Deposits (\$) (1 of 1 bank)                 | 27,770          | 29,273           | 26,779          | Deposits (\$) (9 of 9 banks)              | 491,214         | 503,970          | 450,786         |
| <b>CORTEZ (1982 pop. 7,489)</b>             |                 |                  |                 | <b>GUNNISON (1982 pop. 6,031)</b>         |                 |                  |                 |
| Electric Power (kwh) . . . .                | 4,665           | 4,443            | 4,571           | Electric Power (kwh) . . . .              | 5,885           | 4,898            | 4,870           |
| Constr. (\$)—Res. . . . .                   | 130             | 1,223            | 64              | Constr. (\$)—Res. . . . .                 | 0               | 0                | 0               |
| —Nonres. . . . .                            | 0               | 27               | 0               | —Nonres. . . . .                          | 0               | 0                | 0               |
| Deposits (\$) (3 of 3 banks)                | 96,520          | 96,434           | 80,860          | Deposits (\$) (2 of 2 banks)              | 50,737          | 52,518           | 45,216          |
| <b>CRAIG (1982 pop. 10,000)</b>             |                 |                  |                 | <b>LA JUNTA (1982 pop. 8,338)</b>         |                 |                  |                 |
| Electric Power (kwh) . . . .                | 5,573           | 4,856            | 5,095           | Electric Power (kwh) . . . .              | 5,212           | 5,174            | 4,850           |
| Constr. (\$)—Res. . . . .                   | 0               | 0                | 0               | Constr. (\$)—Res. . . . .                 | 0               | 0                | 0               |
| —Nonres. . . . .                            | 0               | 0                | 323             | —Nonres. . . . .                          | 0               | 0                | 0               |
| Deposits (\$) (2 of 2 banks)                | 59,133          | 61,668           | 58,699          | Deposits (\$) (2 of 2 banks)              | 55,118          | 62,230           | 48,567          |



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# LOCAL BUSINESS CONDITIONS—Continued

|                                               | January<br>1984 | December<br>1983 | January<br>1983 |                                       | January<br>1984 | December<br>1983 | January<br>1983 |
|-----------------------------------------------|-----------------|------------------|-----------------|---------------------------------------|-----------------|------------------|-----------------|
| <b>LAFAYETTE (1982 pop. 10,115)</b>           |                 |                  |                 | <b>ROCKY FORD (1982 pop. 4,574)</b>   |                 |                  |                 |
| Electric Power (kwh) . . . .                  | 4,137           | 3,624            | 3,521           | Electric Power (kwh) . . . .          | 6,198           | 5,943            | 5,407           |
| Constr. (\$)—Res. . . . .                     | 972             | 755              | 1,186           | Constr. (\$)—Res. . . . .             | 0               | 0                | 0               |
| —Nonres. . . . .                              | 0               | 0                | 93              | —Nonres. . . . .                      | 0               | 0                | 0               |
| Deposits (\$) (1 of 1 bank)                   | 17,553          | 17,603           | 15,769          | Deposits (\$) (1 of 2 banks)          | 14,864          | 14,879           | 13,716          |
| <b>LAKEWOOD (1982 pop. 117,436)</b>           |                 |                  |                 | <b>SALIDA (1982 pop. 4,478)</b>       |                 |                  |                 |
| Electric Power (kwh) . . . .                  | 68,789          | 63,879           | 59,063          | Electric Power (kwh) . . . .          | 2,133           | 2,013            | 1,866           |
| Constr. (\$)—Res. . . . .                     | 14,930          | 5,268            | 2,619           | Constr. (\$)—Res. . . . .             | 0               | 0                | 0               |
| —Nonres. . . . .                              | 0               | 1,057            | 2,576           | —Nonres. . . . .                      | 0               | 0                | 0               |
| Deposits (\$) (12 of 12 banks)                | 598,857         | 586,994          | 546,363         | Deposits (\$) (2 of 2 banks)          | 38,737          | 39,138           | 39,787          |
| <b>LAMAR (1982 pop. 7,793)</b>                |                 |                  |                 | <b>STERLING (1982 pop. 11,470)</b>    |                 |                  |                 |
| Electric Power (kwh) . . . .                  | 6,623           | 6,029            | 6,652           | Electric Power (kwh) . . . .          | 7,251           | 6,308            | 6,350           |
| Constr. (\$)—Res. . . . .                     | 27              | 56               | 491             | Constr. (\$)—Res. . . . .             | 0               | 0                | 0               |
| —Nonres. . . . .                              | 0               | 0                | 0               | —Nonres. . . . .                      | 0               | 0                | 0               |
| Deposits (\$) (2 of 2 banks)                  | 84,429          | 84,204           | 77,705          | Deposits (\$) (3 of 3 banks)          | 146,093         | 148,847          | 141,225         |
| <b>LITTLETON (1982 pop. 30,001)</b>           |                 |                  |                 | <b>THORNTON (1982 pop. 44,130)</b>    |                 |                  |                 |
| Electric Power (kwh) . . . .                  | 19,697          | 18,805           | 15,844          | Electric Power (kwh) . . . .          | 21,049          | 19,663           | 20,328          |
| Constr. (\$)—Res. . . . .                     | 603             | 517              | 2,015           | Constr. (\$)—Res. . . . .             | 3,610           | 1,559            | 1,950           |
| —Nonres. . . . .                              | 745             | 721              | 352             | —Nonres. . . . .                      | 0               | 1,680            | 0               |
| Deposits (\$) (8 of 12 banks)                 | 185,487         | 189,222          | 155,586         | Deposits (\$) (1 of 1 bank)           | 28,343          | 29,579           | 23,323          |
| <b>LONGMONT (1982 pop. 46,313)</b>            |                 |                  |                 | <b>TRINIDAD (1982 pop. 9,900)</b>     |                 |                  |                 |
| Electric Power (kwh) . . . .                  | 31,532          | 26,222           | 24,681          | Electric Power (kwh) . . . .          | 3,396           | 3,093            | 3,329           |
| Constr. (\$)—Res. . . . .                     | 3,517           | 1,684            | 7,416           | Constr. (\$)—Res. . . . .             | 0               | 329              | 489             |
| —Nonres. . . . .                              | 380             | 1,653            | 220             | —Nonres. . . . .                      | 0               | 0                | 0               |
| Deposits (\$) (5 of 6 banks)                  | 220,670         | 221,169          | 194,366         | Deposits (\$) (2 of 2 banks)          | 59,502          | 59,587           | 53,164          |
| <b>LOUISVILLE (1982 pop. 6,067)</b>           |                 |                  |                 | <b>WESTMINSTER (1982 pop. 54,995)</b> |                 |                  |                 |
| Electric Power (kwh) . . . .                  | 10,604          | 10,594           | 2,460           | Electric Power (kwh) . . . .          | 26,694          | 25,013           | 25,370          |
| Constr. (\$)—Res. . . . .                     | 2,583           | 3,905            | 1,372           | Constr. (\$)—Res. . . . .             | 6,998           | 6,266            | 8,193           |
| —Nonres. . . . .                              | 445             | 53               | 0               | —Nonres. . . . .                      | 3,587           | 0                | 0               |
| Deposits (\$) (2 of 2 banks)                  | 26,860          | 27,748           | 21,812          | Deposits (\$) (3 of 3 banks)          | 100,059         | 103,956          | 91,996          |
| <b>LOVELAND (1982 pop. 30,962)</b>            |                 |                  |                 | <b>WHEAT RIDGE (1982 pop. 31,743)</b> |                 |                  |                 |
| Electric Power (kwh) . . . .                  | 24,752          | 24,959           | 22,016          | Electric Power (kwh) . . . .          | 25,565          | 24,906           | 22,362          |
| Constr. (\$)—Res. . . . .                     | 859             | 1,526            | 1,095           | Constr. (\$)—Res. . . . .             | 248             | 516              | 120             |
| —Nonres. . . . .                              | 0               | 339              | 317             | —Nonres. . . . .                      | 0               | 0                | 0               |
| Deposits (\$) (5 of 5 banks)                  | 154,668         | 161,676          | 137,872         | Deposits (\$) (2 of 2 banks)          | 98,283          | 98,124           | 84,033          |
| <b>MONTROSE (1982 pop. 8,895)<sup>b</sup></b> |                 |                  |                 |                                       |                 |                  |                 |
| Constr. (\$)—Res. . . . .                     | 80              | 88               | 110             |                                       |                 |                  |                 |
| —Nonres. . . . .                              | 39              | 0                | 293             |                                       |                 |                  |                 |
| Deposits (\$) (3 of 3 banks)                  | 114,960         | 117,595          | 111,162         |                                       |                 |                  |                 |
| <b>NORTHGLENN (1982 pop. 30,980)</b>          |                 |                  |                 |                                       |                 |                  |                 |
| Electric Power (kwh) . . . .                  | 12,053          | 12,649           | 11,811          |                                       |                 |                  |                 |
| Constr. (\$)—Res. . . . .                     | 125             | 0                | 546             |                                       |                 |                  |                 |
| —Nonres. . . . .                              | 0               | 0                | 0               |                                       |                 |                  |                 |
| Deposits (\$) (2 of 3 banks)                  | 69,845          | 75,692           | 65,672          |                                       |                 |                  |                 |
| <b>PUEBLO (1982 pop. 99,619)</b>              |                 |                  |                 |                                       |                 |                  |                 |
| Electric Power (kwh) . . . .                  | 61,079          | 53,057           | 54,013          |                                       |                 |                  |                 |
| Constr. (\$)—Res. . . . .                     | 66              | 176              | 102             |                                       |                 |                  |                 |
| —Nonres. . . . .                              | 592             | 208              | 34              |                                       |                 |                  |                 |
| Deposits (\$) (8 of 9 banks)                  | 403,781         | 412,765          | 391,703         |                                       |                 |                  |                 |

<sup>a</sup>Regional figures.

<sup>b</sup>Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.

Construction figures are valuation of new residential and nonresidential construction only.

Deposit figures are total deposits in commercial banks as of last day of month.

n.r.—not reported

\*—preliminary data

r—revised data

# COLORADO BUSINESS REVIEW

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## ABBREVIATED LOOK FOR SUMMER

During the months of June, July, and August the *Colorado Business Review* will contain only the Colorado Business Indicators and Local Business Conditions. With the September issue the *Review* will return to the usual format.

## COLORADO BUSINESS INDICATORS (Figures in Thousands Unless Otherwise Indicated)

|                                                                 | February<br>1984 | January<br>1984 | February<br>1983 | Percent Change<br>February 1984 from |                  |
|-----------------------------------------------------------------|------------------|-----------------|------------------|--------------------------------------|------------------|
|                                                                 |                  |                 |                  | January<br>1984                      | February<br>1983 |
| Total Civilian Labor Force (by place of residence) <sup>a</sup> | 1,665.2          | 1,657.3         | 1,617.6          | 0.5                                  | 2.9              |
| Unemployment                                                    | 93.8             | 100.8           | 134.1            | - 6.9                                | -30.1            |
| Unemployment Rate (percent)                                     | 5.6              | 6.1             | 8.3              | -                                    | -                |
| Employment                                                      | 1,571.4          | 1,556.5         | 1,483.5          | 1.0                                  | 5.9              |
| Nonagricultural Wage and Salary                                 | 1,549.0          | 1,537.3         | 1,460.8          | 0.8                                  | 6.0              |
| Agricultural                                                    | 22.4             | 19.2            | 22.7             | 16.7                                 | - 1.3            |
| Total Nonagricultural Wage and Salary                           |                  |                 |                  |                                      |                  |
| Employment (by place of work) <sup>a</sup>                      | 1,336.6          | 1,329.7         | 1,293.7          | 0.5                                  | 3.3              |
| Mining                                                          | 36.7             | 37.3            | 36.8             | - 1.6                                | - 0.3            |
| Metallic Minerals                                               | 6.0              | 6.0             | 6.1              | 0.0                                  | - 1.6            |
| Bituminous Coal, Lignite, and Nonmetallic                       | 4.9              | 4.8             | 4.6              | 2.1                                  | 6.5              |
| Oil and Gas Extraction                                          | 25.8             | 26.4            | 26.1             | - 2.3                                | - 1.2            |
| Contract Construction                                           | 78.7             | 78.0            | 74.2             | 0.9                                  | 6.1              |
| Manufacturing                                                   | 184.0            | 183.6           | 175.3            | 0.2                                  | 5.0              |
| Lumber, Wood Products, and Furniture                            | 6.2              | 6.1             | 5.8              | 1.6                                  | 6.9              |
| Stone, Clay, Glass, and Concrete Products                       | 9.5              | 9.4             | 8.7              | 1.1                                  | 9.2              |
| Primary and Fabricated Metals                                   | 14.4             | 14.3            | 14.1             | 0.7                                  | 2.1              |
| Machinery, Except Electrical                                    | 28.4             | 28.5            | 24.9             | - 0.4                                | 14.1             |
| Electric and Electronic Equipment                               | 19.8             | 19.6            | 18.4             | 1.0                                  | 7.6              |
| Transportation Equipment                                        | 13.8             | 13.7            | 13.7             | 0.7                                  | 0.7              |
| Other Durable Goods                                             | 27.5             | 27.5            | 27.9             | 0.0                                  | - 1.4            |
| Food and Kindred Products                                       | 23.8             | 24.0            | 22.7             | - 0.8                                | 4.9              |
| Textiles and Apparel                                            | 3.0              | 3.0             | 2.9              | 0.0                                  | 3.5              |
| Paper and Allied Products                                       | 2.1              | 2.1             | 2.0              | 0.0                                  | 5.0              |
| Printing and Publishing                                         | 19.2             | 19.2            | 18.6             | 0.0                                  | 3.2              |
| Chemicals and Allied Products                                   | 8.1              | 8.0             | 7.5              | 1.3                                  | 8.0              |
| Other Nondurable Goods                                          | 8.2              | 8.1             | 7.9              | 1.2                                  | 3.8              |
| Finance, Insurance, and Real Estate                             | 86.8             | 86.9            | 84.3             | - 0.1                                | 3.0              |
| Banking                                                         | 22.1             | 22.2            | 22.2             | - 0.5                                | - 0.5            |
| Credit Agencies Other than Banks                                | 14.7             | 14.9            | 13.8             | - 1.3                                | 6.5              |
| Insurance Carriers, Agents, and Brokers                         | 20.8             | 20.8            | 20.5             | 0.0                                  | 1.5              |
| Real Estate and Combination Offices                             | 21.5             | 21.6            | 21.4             | - 0.5                                | 0.5              |
| Other Finance, Insurance, and Real Estate                       | 7.6              | 7.4             | 6.4              | 2.7                                  | 18.8             |
| Transportation and Public Utilities                             | 84.5             | 84.6            | 83.7             | - 0.1                                | 1.0              |
| Railroad Transportation                                         | 5.9              | 5.8             | 5.7              | 1.7                                  | 3.5              |
| Trucking and Warehousing                                        | 16.6             | 16.7            | 16.2             | - 0.6                                | 2.5              |
| Air Transportation                                              | 14.4             | 14.5            | 14.6             | - 1.4                                | - 1.4            |
| Other Transportation                                            | 6.6              | 6.6             | 6.5              | 0.0                                  | 1.5              |
| Communications, Electric, Gas, and Sanitary Services            | 41.0             | 41.0            | 40.7             | 0.0                                  | 0.7              |
| Trade                                                           | 323.6            | 325.9           | 313.1            | - 0.7                                | 3.4              |
| Wholesale Trade                                                 | 78.5             | 78.1            | 75.8             | 0.5                                  | 3.6              |
| Retail Trade                                                    | 245.2            | 247.8           | 237.3            | - 1.1                                | 3.3              |
| Services                                                        | 295.2            | 294.0           | 281.2            | 0.4                                  | 5.0              |
| Lodging and Combination Lodging/Eating Places                   | 26.0             | 26.2            | 24.3             | - 0.8                                | 7.0              |
| Personal Services                                               | 15.9             | 15.7            | 15.1             | 1.3                                  | 5.3              |
| Business Services                                               | 58.5             | 58.3            | 53.3             | 0.3                                  | 9.8              |
| Auto and Miscellaneous Repair Services                          | 14.3             | 14.2            | 13.9             | 0.7                                  | 2.9              |
| Amusements and Recreation                                       | 19.4             | 19.4            | 18.6             | 0.0                                  | 4.3              |
| Health Services                                                 | 75.2             | 75.2            | 73.7             | 0.0                                  | 2.0              |
| Educational Services                                            | 11.2             | 10.9            | 11.1             | 2.8                                  | 0.9              |
| Membership Organizations                                        | 20.9             | 21.0            | 20.2             | - 0.5                                | 3.5              |
| Other Services                                                  | 53.7             | 53.1            | 51.0             | 1.1                                  | 5.3              |
| Government                                                      | 247.1            | 239.5           | 245.1            | 3.2                                  | 0.8              |
| Federal                                                         | 51.9             | 51.9            | 50.8             | 0.0                                  | 2.2              |
| State                                                           | 59.0             | 53.8            | 58.3             | 9.7                                  | 1.2              |
| Local                                                           | 136.2            | 133.7           | 136.0            | 1.9                                  | 0.2              |

|                                                                | February<br>1984 | January<br>1984 | February<br>1983 | Percent Change<br>February 1984 from |                  |
|----------------------------------------------------------------|------------------|-----------------|------------------|--------------------------------------|------------------|
|                                                                |                  |                 |                  | January<br>1984                      | February<br>1983 |
| Average Weekly Hours                                           |                  |                 |                  |                                      |                  |
| Construction . . . . .                                         | 37.1             | 36.5            | 37.1             | 1.6                                  | 0.0              |
| Manufacturing . . . . .                                        | 39.8             | 39.9            | 39.2             | - 0.3                                | 1.5              |
| Durable Goods . . . . .                                        | 40.6             | 40.5            | 39.6             | 0.3                                  | 2.5              |
| Nondurable Goods . . . . .                                     | 38.6             | 38.9            | 38.4             | - 0.8                                | 0.5              |
| Average Weekly Earnings (\$)                                   |                  |                 |                  |                                      |                  |
| Construction . . . . .                                         | 484.53           | 480.70          | 509.38           | 0.8                                  | - 4.9            |
| Manufacturing . . . . .                                        | 362.95           | 366.68          | 345.74           | 0.6                                  | 6.7              |
| Durable Goods . . . . .                                        | 383.26           | 381.91          | 352.04           | 0.4                                  | 8.9              |
| Nondurable Goods . . . . .                                     | 347.01           | 342.32          | 334.08           | 1.4                                  | 3.9              |
| Initial Unemployment Claims (000) . . . . .                    | 14.4             | 17.5            | 18.7             | -17.7                                | -23.0            |
| Bankruptcies, All Types (number) . . . . .                     | 443              | 400             | 425              | 10.8                                 | 4.2              |
| Total State Revenue (\$000) . . . . .                          | 360,741          | 402,106         | 360,818          | -10.3                                | - 0.0            |
| Total State Expenditures (\$000) . . . . .                     | 379,188          | 349,065         | 369,522          | 8.6                                  | 2.6              |
| Crude Oil Production (thous. bbls.) . . . . .                  | 2,243            | 2,312           | 2,218            | - 3.0                                | 1.1              |
| Dry Gas Production (mil. cu. ft.) . . . . .                    | 14,218           | 16,061          | 13,441           | -11.5                                | 5.8              |
| Coal Production . . . . .                                      | 1,497.1          | 1,376.5         | 1,396.6          | 8.8                                  | 7.2              |
| New Oil and Gas Wells (number) . . . . .                       | 134              | 84              | 99               | 59.5                                 | 35.4             |
| Natural Gas Used (bil. cu. ft.) . . . . .                      | 20.8             | 27.0            | 18.3             | -23.0                                | 13.7             |
| Electrical Power Sales (mil. kwh)                              |                  |                 |                  |                                      |                  |
| Residential . . . . .                                          | 664.9*           | 752.1           | 547.2            | -11.6                                | 21.5             |
| Nonresidential . . . . .                                       | 1,021.5*         | 1,046.3         | 1,039.0          | - 2.4                                | - 1.7            |
| New Construction, 122 places                                   |                  |                 |                  |                                      |                  |
| Residential permits (number) . . . . .                         | 2,587            | 1,876           | 2,339            | 37.9                                 | 10.6             |
| Residential value (\$000) . . . . .                            | 163,142          | 128,122         | 127,039          | 27.3                                 | 28.4             |
| Nonresidential permits (number) . . . . .                      | 289              | 211             | 228              | 37.0                                 | 26.8             |
| Nonresidential value (\$000) . . . . .                         | 45,111           | 40,916          | 66,921           | 10.3                                 | -32.6            |
| Highway Contractor Payments (\$000) . . . . .                  | 5,024            | 4,493           | 2,880            | 11.8                                 | 74.4             |
| Savings and Loan Net New Savings (\$000,000) . . . . .         | 121.1            | 164.5           | 47.5             | -26.4                                | 155.0            |
| National Park Recreational Visits—10 Areas (000) . . . . .     | n.r.             | n.r.            | 132.1            | —                                    | —                |
| Motor Vehicle Title Applications (000) . . . . .               | 75.3             | 82.7            | 73.3             | - 9.0                                | 2.7              |
| Highway Vehicle Traffic Counts at Border                       |                  |                 |                  |                                      |                  |
| Stations (daily average) . . . . .                             | 26,843           | 26,931          | 27,648           | - 0.3                                | - 2.9            |
| Air Passengers, Stapleton (000) <sup>b</sup> . . . . .         | 2,003            | 1,965           | 2,054            | 1.9                                  | - 2.5            |
| Air Freight and Air Express, Stapleton (thous. lbs.) . . . . . | 26,866           | 19,188          | 23,154           | 40.0                                 | 16.0             |
| Prices Received by Farmers (\$)                                |                  |                 |                  |                                      |                  |
| Beef Cattle (per cwt) . . . . .                                | 64.40            | 65.10           | 61.00            | - 1.1                                | 5.6              |
| Lambs (per cwt) . . . . .                                      | 58.80            | 60.60           | 60.60            | - 3.0                                | - 3.0            |
| Wheat (per bu.) . . . . .                                      | 3.18             | 3.14            | 3.48             | 1.3                                  | - 8.6            |
| Corn (per bu.) . . . . .                                       | 2.93             | 3.06            | 2.74             | - 4.3                                | 6.9              |
| Potatoes (per cwt) . . . . .                                   | 7.20             | 6.65            | 3.80             | 8.3                                  | 89.5             |
| Wool . . . . .                                                 | .68              | .69             | .77              | - 1.5                                | -11.7            |

NOTES: An asterisk (\*) indicates preliminary data subject to revision.  
Revised data are marked (r).  
n.r.—not reported.

<sup>a</sup>Employment figures have been updated to a March 1983 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a December 1981 benchmark. Thus, these data are not comparable to that published prior.

<sup>b</sup>Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Referee in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from 17 individual companies.  
New Construction from Bureau of the Census, U.S. Department of Commerce.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

Recreational Visits from National Park Service, Denver.

Highway Traffic counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.



**LOCAL BUSINESS CONDITIONS**  
(All Figures in Thousands)

|                                             | February<br>1984 | January<br>1984 | February<br>1983 |                                           | February<br>1984 | January<br>1984 | February<br>1983 |
|---------------------------------------------|------------------|-----------------|------------------|-------------------------------------------|------------------|-----------------|------------------|
| <b>ALAMOSA (1982 pop. 7,182)</b>            |                  |                 |                  | <b>DENVER (1982 pop. 500,600)</b>         |                  |                 |                  |
| Electric Power (kwh) . . . .                | 4,095            | 3,655           | 3,694            | Electric Power (kwh) . . . .              | 366,087          | 382,639         | 340,385          |
| Constr. (\$)—Res. . . . .                   | 33               | 0               | 0                | Constr. (\$)—Res. . . . .                 | 9,056            | 4,576           | 11,918           |
| —Nonres. . . . .                            | 160              | 0               | 0                | —Nonres. . . . .                          | 8,128            | 658             | 10,958           |
| Deposits (\$) (2 of 2 banks)                | 50,033           | 51,106          | 51,420           | Deposits (\$) (45 of 48 banks)            | 7,452,830*       | 7,461,625       | 7,414,050        |
| <b>ARVADA (1982 pop. 91,262)</b>            |                  |                 |                  | <b>DURANGO (1982 pop. 12,276)</b>         |                  |                 |                  |
| Electric Power (kwh) . . . .                | 30,923           | 33,445          | 29,322           | Electric Power (kwh) . . . .              | 6,984*           | 9,936           | 6,654            |
| Constr. (\$)—Res. . . . .                   | 6,788            | 3,131           | 2,158            | Constr. (\$)—Res. . . . .                 | 53               | 49              | 0                |
| —Nonres. . . . .                            | 0                | 321             | 0                | —Nonres. . . . .                          | 50               | 15              | 0                |
| Deposits (\$) (4 of 5 banks)                | 117,701          | 112,686         | 98,048           | Deposits (\$) (4 of 4 banks)              | 141,790          | 142,353         | 126,383          |
| <b>ASPEN (1982 pop. 4,081)</b>              |                  |                 |                  | <b>ENGLEWOOD (1982 pop. 30,555)</b>       |                  |                 |                  |
| Electric Power (kwh) . . . .                | 4,629            | 5,157           | 4,195            | Electric Power (kwh) . . . .              | 23,408           | 23,848          | 21,161           |
| Constr. (\$)—Res. . . . .                   | 300              | 0               | 0                | Constr. (\$)—Res. . . . .                 | 0                | 100             | 39               |
| —Nonres. . . . .                            | 0                | 0               | 0                | —Nonres. . . . .                          | 290              | 3,252           | 41               |
| Deposits (\$) (3 of 3 banks)                | 104,094          | 106,634         | 105,100          | Deposits (\$) (10 of 14 banks)            | 466,485          | 453,180         | 384,722          |
| <b>AURORA (1982 pop. 178,665)</b>           |                  |                 |                  | <b>ESTES PARK (1982 pop. 2,934)</b>       |                  |                 |                  |
| Electric Power (kwh) . . . .                | 101,255          | 112,141         | 85,564           | Electric Power (kwh) . . . .              | 5,937            | 6,843           | 5,098            |
| Constr. (\$)—Res. . . . .                   | 30,146           | 18,298          | 19,850           | Constr. (\$)—Res. . . . .                 | 164              | 139             | 1,383            |
| —Nonres. . . . .                            | 916              | 3,227           | 456              | —Nonres. . . . .                          | 0                | 41              | 313              |
| Deposits (\$) (12 of 16 banks)              | 295,526          | 299,283         | 236,866          | Deposits (\$) (2 of 2 banks)              | 38,762           | 39,951          | 36,428           |
| <b>BOULDER (1982 pop. 80,651)</b>           |                  |                 |                  | <b>FORT COLLINS (1982 pop. 68,307)</b>    |                  |                 |                  |
| Electric Power (kwh) . . . .                | 62,486           | 61,232          | 55,661           | Electric Power (kwh) . . . .              | 46,132           | 53,077          | 41,403           |
| Constr. (\$)—Res. . . . .                   | 1,316            | 2,150           | 3,487            | Constr. (\$)—Res. . . . .                 | 5,798            | 4,558           | 3,122            |
| —Nonres. . . . .                            | 2,301            | 2,200           | 1,131            | —Nonres. . . . .                          | 2,293            | 5,540           | 1,275            |
| Deposits (\$) (19 of 10 banks)              | 609,755          | 607,811         | 507,330          | Deposits (\$) (9 of 9 banks)              | 427,469          | 433,056         | 407,583          |
| <b>BRIGHTON (1982 pop. 13,239)</b>          |                  |                 |                  | <b>FORT MORGAN (1982 pop. 8,913)</b>      |                  |                 |                  |
| Electric Power (kwh) . . . .                | 5,448            | 5,690           | 5,221            | Electric Power (kwh) . . . .              | 9,582            | 11,312          | 8,287            |
| Constr. (\$)—Res. . . . .                   | 384              | 574             | 154              | Constr. (\$)—Res. . . . .                 | 87               | 35              | 107              |
| —Nonres. . . . .                            | 0                | 0               | 0                | —Nonres. . . . .                          | 58               | 0               | 0                |
| Deposits (\$) (2 of 2 banks)                | 72,979           | 66,078          | 62,282           | Deposits (\$) (3 of 3 banks)              | 108,331          | 102,535         | 96,079           |
| <b>BROOMFIELD (1982 pop. 22,452)</b>        |                  |                 |                  | <b>GLENWOOD SPRINGS (1982 pop. 5,000)</b> |                  |                 |                  |
| Electric Power (kwh) . . . .                | 11,201           | 11,901          | 10,545           | Electric Power (kwh) . . . .              | 5,981            | 6,753           | 5,609            |
| Constr. (\$)—Res. . . . .                   | n.r.             | 151             | 418              | Constr. (\$)—Res. . . . .                 | 68               | 0               | 60               |
| —Nonres. . . . .                            | n.r.             | 857             | 0                | —Nonres. . . . .                          | 0                | 0               | 50               |
| Deposits (\$) (2 of 2 banks)                | 66,233           | 68,250          | 56,773           | Deposits (\$) (4 of 4 banks)              | 125,583          | 130,236         | 123,818          |
| <b>CANON CITY (1982 pop. 13,576)</b>        |                  |                 |                  | <b>GOLDEN (1982 pop. 13,109)</b>          |                  |                 |                  |
| Electric Power (kwh) . . . .                | 24,825           | 28,384          | 26,279           | Electric Power (kwh) . . . .              | 6,214            | 6,930           | 6,021            |
| Constr. (\$)—Res. . . . .                   | 219              | 29              | 117              | Constr. (\$)—Res. . . . .                 | 977              | 0               | 272              |
| —Nonres. . . . .                            | 0                | 0               | 0                | —Nonres. . . . .                          | 0                | 505             | 0                |
| Deposits (\$) (3 of 3 banks)                | 114,919          | 112,767         | 102,438          | Deposits (\$) (3 of 3 banks)              | 163,396          | 163,967         | 150,322          |
| <b>COLORADO SPRINGS (1982 pop. 230,553)</b> |                  |                 |                  | <b>GRAND JUNCTION (1982 pop. 32,082)</b>  |                  |                 |                  |
| Electric Power (kwh) . . . .                | 183,196          | 205,367         | 164,799          | Electric Power (kwh) . . . .              | 20,307           | 21,115          | 13,389           |
| Constr. (\$)—Res. . . . .                   | 20,775           | 13,001          | 14,622           | Constr. (\$)—Res. . . . .                 | 7,726            | 53              | 198              |
| —Nonres. . . . .                            | 8,686            | 11,604          | 4,136            | —Nonres. . . . .                          | 235              | 801             | 574              |
| Deposits (\$) (18 of 21 banks)              | 1,107,794        | 1,093,277       | 971,323          | Deposits (\$) (6 of 6 banks)              | 332,614          | 340,392         | 359,536          |
| <b>COMMERCE CITY (1982 pop. 16,412)</b>     |                  |                 |                  | <b>GREELEY (1982 pop. 54,063)</b>         |                  |                 |                  |
| Electric Power (kwh) . . . .                | 34,324           | 25,515          | 16,061           | Electric Power (kwh) . . . .              | 29,164           | 30,735          | 26,397           |
| Constr. (\$)—Res. . . . .                   | 162              | 611             | 37               | Constr. (\$)—Res. . . . .                 | 651              | 552             | 774              |
| —Nonres. . . . .                            | 238              | 0               | 0                | —Nonres. . . . .                          | 0                | 318             | 0                |
| Deposits (\$) (1 of 1 bank)                 | 28,180           | 27,770          | 27,349           | Deposits (\$) (9 of 9 banks)              | 501,515          | 491,214         | 460,196          |
| <b>CORTEZ (1982 pop. 7,489)</b>             |                  |                 |                  | <b>GUNNISON (1982 pop. 6,031)</b>         |                  |                 |                  |
| Electric Power (kwh) . . . .                | 4,493            | 4,665           | 3,963            | Electric Power (kwh) . . . .              | 5,340            | 5,885           | 4,203            |
| Constr. (\$)—Res. . . . .                   | 61               | 130             | 54               | Constr. (\$)—Res. . . . .                 | 0                | 0               | 0                |
| —Nonres. . . . .                            | 0                | 0               | 0                | —Nonres. . . . .                          | 0                | 0               | 0                |
| Deposits (\$) (3 of 3 banks)                | 95,244           | 96,520          | 83,799           | Deposits (\$) (2 of 2 banks)              | 50,094           | 50,737          | 47,405           |
| <b>CRAIG (1982 pop. 10,000)</b>             |                  |                 |                  | <b>LA JUNTA (1982 pop. 8,338)</b>         |                  |                 |                  |
| Electric Power (kwh) . . . .                | 5,846            | 5,573           | 5,189            | Electric Power (kwh) . . . .              | 4,642            | 5,212           | 4,339            |
| Constr. (\$)—Res. . . . .                   | 0                | 0               | 0                | Constr. (\$)—Res. . . . .                 | 0                | 0               | 31               |
| —Nonres. . . . .                            | 0                | 0               | 0                | —Nonres. . . . .                          | 0                | 0               | 0                |
| Deposits (\$) (2 of 2 banks)                | 63,800           | 59,133          | 61,811           | Deposits (\$) (2 of 2 banks)              | 55,942           | 55,118          | 49,470           |

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# LOCAL BUSINESS CONDITIONS—Continued

|                                         | February<br>1984 | January<br>1984 | February<br>1983 |                                | February<br>1984 | January<br>1984 | February<br>1983 |
|-----------------------------------------|------------------|-----------------|------------------|--------------------------------|------------------|-----------------|------------------|
| LAFAYETTE (1982 pop. 10,115)            |                  |                 |                  | ROCKY FORD (1982 pop. 4,574)   |                  |                 |                  |
| Electric Power (kwh) . . . .            | 3,827            | 4,137           | 3,065            | Electric Power (kwh) . . . .   | 5,612            | 6,198           | 5,671            |
| Constr. (\$)—Res. . . . .               | 2,606            | 972             | 1,271            | Constr. (\$)—Res. . . . .      | 0                | 0               | 0                |
| —Nonres. . . . .                        | 0                | 0               | 0                | —Nonres. . . . .               | 0                | 0               | 0                |
| Deposits (\$) (1 of 1 bank)             | 17,353           | 17,553          | 15,824           | Deposits (\$) (1 of 2 banks)   | 14,421           | 14,864          | 14,319           |
| LAKEWOOD (1982 pop. 117,436)            |                  |                 |                  | SALIDA (1982 pop. 4,478)       |                  |                 |                  |
| Electric Power (kwh) . . . .            | 62,910           | 68,789          | 57,666           | Electric Power (kwh) . . . .   | 2,133            | 2,133           | 1,869            |
| Constr. (\$)—Res. . . . .               | 2,818            | 14,930          | 1,683            | Constr. (\$)—Res. . . . .      | 0                | 0               | 0                |
| —Nonres. . . . .                        | 836              | 0               | 1,775            | —Nonres. . . . .               | 0                | 0               | 0                |
| Deposits (\$) (12 of 12 banks)          | 605,611          | 598,857         | 540,972          | Deposits (\$) (2 of 2 banks)   | 38,859           | 38,737          | 40,887           |
| LAMAR (1982 pop. 7,793)                 |                  |                 |                  | STERLING (1982 pop. 11,470)    |                  |                 |                  |
| Electric Power (kwh) . . . .            | 6,309            | 6,623           | 6,334            | Electric Power (kwh) . . . .   | 6,835            | 7,251           | 6,179            |
| Constr. (\$)—Res. . . . .               | 0                | 27              | 0                | Constr. (\$)—Res. . . . .      | 0                | 0               | 0                |
| —Nonres. . . . .                        | 202              | 0               | 0                | —Nonres. . . . .               | 0                | 0               | 0                |
| Deposits (\$) (2 of 2 banks)            | 84,376           | 84,429          | 76,961           | Deposits (\$) (3 of 3 banks)   | 148,871          | 146,093         | 142,819          |
| LITTLETON (1982 pop. 30,001)            |                  |                 |                  | THORNTON (1982 pop. 44,130)    |                  |                 |                  |
| Electric Power (kwh) . . . .            | 19,491           | 19,697          | 15,457           | Electric Power (kwh) . . . .   | 20,216           | 21,049          | 18,813           |
| Constr. (\$)—Res. . . . .               | n.r.             | 603             | 1,819            | Constr. (\$)—Res. . . . .      | 5,813            | 3,610           | n.r.             |
| —Nonres. . . . .                        | n.r.             | 745             | 13               | —Nonres. . . . .               | 1,231            | 0               | n.r.             |
| Deposits (\$) (9 of 12 banks)           | 212,393          | 185,487         | 157,519          | Deposits (\$) (1 of 1 bank)    | 30,596           | 28,343          | 24,536           |
| LONGMONT (1982 pop. 46,313)             |                  |                 |                  | TRINIDAD (1982 pop. 9,900)     |                  |                 |                  |
| Electric Power (kwh) . . . .            | 26,909           | 31,532          | 23,825           | Electric Power (kwh) . . . .   | 3,204            | 3,396           | 3,294            |
| Constr. (\$)—Res. . . . .               | 2,036            | 3,517           | 1,017            | Constr. (\$)—Res. . . . .      | 0                | 0               | 0                |
| —Nonres. . . . .                        | 861              | 380             | 30               | —Nonres. . . . .               | 0                | 0               | 0                |
| Deposits (\$) (5 of 6 banks)            | 222,543          | 220,670         | 197,001          | Deposits (\$) (2 of 2 banks)   | 58,310           | 59,502          | 54,409           |
| LOUISVILLE (1982 pop. 6,067)            |                  |                 |                  | WESTMINSTER (1982 pop. 54,995) |                  |                 |                  |
| Electric Power (kwh) . . . .            | 12,333           | 10,604          | 8,708            | Electric Power (kwh) . . . .   | 26,325           | 26,694          | 23,165           |
| Constr. (\$)—Res. . . . .               | 401              | 2,583           | 4,425            | Constr. (\$)—Res. . . . .      | 8,303            | 6,998           | 7,095            |
| —Nonres. . . . .                        | 0                | 445             | 0                | —Nonres. . . . .               | 0                | 3,587           | 591              |
| Deposits (\$) (2 of 2 banks)            | 27,117           | 26,860          | 21,974           | Deposits (\$) (3 of 3 banks)   | 108,477          | 100,059         | 94,912           |
| LOVELAND (1982 pop. 30,962)             |                  |                 |                  | WHEAT RIDGE (1982 pop. 31,743) |                  |                 |                  |
| Electric Power (kwh) . . . .            | 22,178           | 24,752          | 21,474           | Electric Power (kwh) . . . .   | 23,698           | 25,565          | 21,329           |
| Constr. (\$)—Res. . . . .               | 2,019            | 859             | 842              | Constr. (\$)—Res. . . . .      | 228              | 248             | 975              |
| —Nonres. . . . .                        | 273              | 0               | 61               | —Nonres. . . . .               | 0                | 0               | 0                |
| Deposits (\$) (5 of 5 banks)            | 161,243          | 154,668         | 140,905          | Deposits (\$) (2 of 2 banks)   | 98,273           | 98,283          | 87,512           |
| MONTROSE (1982 pop. 8,895) <sup>b</sup> |                  |                 |                  |                                |                  |                 |                  |
| Constr. (\$)—Res. . . . .               | 30               | 80              | 160              |                                |                  |                 |                  |
| —Nonres. . . . .                        | 0                | 39              | 0                |                                |                  |                 |                  |
| Deposits (\$) (3 of 3 banks)            | 120,371          | 114,960         | 115,706          |                                |                  |                 |                  |
| NORTHGLENN (1982 pop. 30,980)           |                  |                 |                  |                                |                  |                 |                  |
| Electric Power (kwh) . . . .            | 11,472           | 12,053          | 10,536           |                                |                  |                 |                  |
| Constr. (\$)—Res. . . . .               | 0                | 125             | 712              |                                |                  |                 |                  |
| —Nonres. . . . .                        | 0                | 0               | 640              |                                |                  |                 |                  |
| Deposits (\$) (2 of 3 banks)            | 69,875           | 69,845          | 67,170           |                                |                  |                 |                  |
| PUEBLO (1982 pop. 99,619)               |                  |                 |                  |                                |                  |                 |                  |
| Electric Power (kwh) . . . .            | 50,873           | 61,079          | 51,718           |                                |                  |                 |                  |
| Constr. (\$)—Res. . . . .               | 187              | 66              | 176              |                                |                  |                 |                  |
| —Nonres. . . . .                        | 82               | 592             | 70               |                                |                  |                 |                  |
| Deposits (\$) (8 of 9 banks)            | 407,497          | 403,781         | 387,653          |                                |                  |                 |                  |

<sup>a</sup>Regional figures.

<sup>b</sup>Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.  
Construction figures are valuation of new residential and nonresidential construction only.  
Deposit figures are total deposits in commercial banks as of last day of month.  
n.r.—not reported  
\*—preliminary data  
r—revised data

# COLORADO BUSINESS REVIEW

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## ABBREVIATED LOOK FOR SUMMER

During the months of June, July, and August the *Colorado Business Review* will contain only the Colorado Business Indicators and Local Business Conditions. With the September issue the *Review* will return to the usual format.

## COLORADO BUSINESS INDICATORS (Figures in Thousands Unless Otherwise Indicated)

|                                                                 | March<br>1984 | February<br>1984 | March<br>1983 | Percent Change<br>March 1984 from |               |
|-----------------------------------------------------------------|---------------|------------------|---------------|-----------------------------------|---------------|
|                                                                 |               |                  |               | February<br>1984                  | March<br>1983 |
| Total Civilian Labor Force (by place of residence) <sup>a</sup> | 1,681.4       | 1,665.2          | 1,640.8       | 1.0                               | 2.5           |
| Unemployment                                                    | 86.6          | 93.8             | 127.5         | - 7.7                             | -32.1         |
| Unemployment Rate (percent)                                     | 5.1           | 5.6              | 7.8           | —                                 | —             |
| Employment                                                      | 1,594.8       | 1,571.4          | 1,513.3       | 1.5                               | 5.4           |
| Nonagricultural Wage and Salary                                 | 1,569.1       | 1,549.0          | 1,487.2       | 1.3                               | 5.5           |
| Agricultural                                                    | 25.7          | 22.4             | 26.1          | 14.7                              | - 1.5         |
| Total Nonagricultural Wage and Salary                           |               |                  |               |                                   |               |
| Employment (by place of work) <sup>a</sup>                      | 1,347.7       | 1,336.6          | 1,303.9       | 0.8                               | 3.4           |
| Mining                                                          | 37.1          | 36.7             | 36.5          | 1.1                               | 1.6           |
| Metallic Minerals                                               | 6.3           | 6.0              | 6.0           | 5.0                               | 5.0           |
| Bituminous Coal, Lignite, and Nonmetallic                       | 5.0           | 4.9              | 4.6           | 2.0                               | 8.7           |
| Oil and Gas Extraction                                          | 25.8          | 25.8             | 25.8          | 0.0                               | 0.0           |
| Contract Construction                                           | 80.7          | 78.7             | 74.8          | 2.5                               | 7.9           |
| Manufacturing                                                   | 183.9         | 184.0            | 175.7         | - 0.1                             | 4.7           |
| Lumber, Wood Products, and Furniture                            | 6.3           | 6.2              | 5.9           | 1.6                               | 6.8           |
| Stone, Clay, Glass, and Concrete Products                       | 9.6           | 9.5              | 8.9           | 1.1                               | 7.9           |
| Primary and Fabricated Metals                                   | 14.6          | 14.4             | 14.1          | 1.4                               | 3.6           |
| Machinery, Except Electrical                                    | 28.5          | 28.4             | 24.9          | 0.4                               | 14.5          |
| Electric and Electronic Equipment                               | 20.0          | 19.8             | 18.6          | 1.0                               | 7.5           |
| Transportation Equipment                                        | 14.1          | 13.8             | 13.7          | 2.2                               | 2.9           |
| Other Durable Goods                                             | 27.4          | 27.5             | 27.8          | - 0.4                             | - 1.4         |
| Food and Kindred Products                                       | 23.6          | 23.8             | 22.9          | - 0.8                             | 3.1           |
| Textiles and Apparel                                            | 3.0           | 3.0              | 2.9           | 0.0                               | 3.5           |
| Paper and Allied Products                                       | 2.1           | 2.1              | 2.0           | 0.0                               | 5.0           |
| Printing and Publishing                                         | 19.3          | 19.2             | 18.6          | 0.5                               | 3.8           |
| Chemicals and Allied Products                                   | 8.2           | 8.1              | 7.6           | 1.2                               | 7.9           |
| Other Nondurable Goods                                          | 7.2           | 8.2              | 7.8           | -12.2                             | - 7.7         |
| Finance, Insurance, and Real Estate                             | 87.4          | 86.8             | 85.3          | 0.7                               | 2.5           |
| Banking                                                         | 22.1          | 22.1             | 22.3          | 0.0                               | - 0.9         |
| Credit Agencies Other than Banks                                | 14.9          | 14.7             | 14.1          | 1.4                               | 5.7           |
| Insurance Carriers, Agents, and Brokers                         | 21.0          | 20.8             | 20.5          | 1.0                               | 2.4           |
| Real Estate and Combination Offices                             | 21.8          | 21.5             | 21.9          | 1.4                               | - 0.5         |
| Other Finance, Insurance, and Real Estate                       | 7.6           | 7.6              | 6.5           | 0.0                               | 16.9          |
| Transportation and Public Utilities                             | 84.6          | 84.5             | 83.9          | 0.1                               | 0.8           |
| Railroad Transportation                                         | 5.9           | 5.9              | 5.8           | 0.0                               | 1.7           |
| Trucking and Warehousing                                        | 16.8          | 16.6             | 16.4          | 1.2                               | 2.4           |
| Air Transportation                                              | 14.5          | 14.4             | 14.5          | 0.7                               | 0.0           |
| Other Transportation                                            | 6.6           | 6.6              | 6.5           | 0.0                               | 1.5           |
| Communications, Electric, Gas, and Sanitary Services            | 40.8          | 41.0             | 40.5          | - 0.5                             | 0.7           |
| Trade                                                           | 327.1         | 323.6            | 316.8         | 1.1                               | 3.3           |
| Wholesale Trade                                                 | 79.1          | 78.5             | 76.1          | 0.8                               | 3.9           |
| Retail Trade                                                    | 248.1         | 245.2            | 240.6         | 1.2                               | 3.1           |
| Services                                                        | 298.2         | 295.2            | 284.5         | 1.0                               | 4.8           |
| Lodging and Combination Lodging/Eating Places                   | 25.9          | 26.0             | 24.6          | - 0.4                             | 5.3           |
| Personal Services                                               | 16.0          | 15.9             | 15.2          | 0.6                               | 5.3           |
| Business Services                                               | 59.4          | 58.5             | 54.0          | 1.5                               | 10.0          |
| Auto and Miscellaneous Repair Services                          | 14.5          | 14.3             | 14.1          | 1.4                               | 2.8           |
| Amusements and Recreation                                       | 19.9          | 19.4             | 19.4          | 2.6                               | 2.6           |
| Health Services                                                 | 75.5          | 75.2             | 74.0          | 0.4                               | 2.0           |
| Educational Services                                            | 11.1          | 11.2             | 10.9          | - 0.9                             | 1.8           |
| Membership Organizations                                        | 21.2          | 20.9             | 20.4          | 1.4                               | 3.9           |
| Other Services                                                  | 54.7          | 53.7             | 51.8          | 1.9                               | 5.6           |
| Government                                                      | 248.8         | 247.1            | 246.5         | 0.7                               | 0.9           |
| Federal                                                         | 51.7          | 51.9             | 51.2          | - 0.4                             | 1.0           |
| State                                                           | 60.1          | 59.0             | 58.9          | 1.9                               | 2.0           |
| Local                                                           | 136.9         | 136.2            | 136.4         | 0.5                               | 0.4           |

|                                                      | March<br>1984 | February<br>1984 | March<br>1983 | Percent Change<br>March 1984 from<br>February 1984    March<br>1983 |       |
|------------------------------------------------------|---------------|------------------|---------------|---------------------------------------------------------------------|-------|
| Average Weekly Hours                                 |               |                  |               |                                                                     |       |
| Construction . . . . .                               | 38.3          | 37.1             | 36.3          | 3.2                                                                 | 5.5   |
| Manufacturing . . . . .                              | 40.2          | 39.8             | 39.1          | 1.0                                                                 | 2.8   |
| Durable Goods . . . . .                              | 40.4          | 40.6             | 39.7          | - 0.5                                                               | 1.8   |
| Nondurable Goods . . . . .                           | 39.8          | 38.6             | 38.3          | 3.1                                                                 | 3.9   |
| Average Weekly Earnings (\$)                         |               |                  |               |                                                                     |       |
| Construction . . . . .                               | 499.81        | 484.53           | 497.31        | 3.2                                                                 | 0.5   |
| Manufacturing . . . . .                              | 372.25        | 368.95           | 346.43        | 0.9                                                                 | 7.5   |
| Durable Goods . . . . .                              | 382.18        | 383.26           | 352.54        | - 0.3                                                               | 8.4   |
| Nondurable Goods . . . . .                           | 354.62        | 347.01           | 338.19        | 2.2                                                                 | 4.9   |
| Initial Unemployment Claims (000)                    | 14.6          | 14.4             | 5.9           | 1.4                                                                 | 147.5 |
| Bankruptcies, All Types (number)                     | 596           | 443              | 526           | 34.5                                                                | 13.3  |
| Total State Revenue (\$000)                          | 388,824       | 360,741          | 368,097       | 7.8                                                                 | 5.6   |
| Total State Expenditures (\$000)                     | 397,351       | 379,188          | 493,463       | 4.8                                                                 | -19.5 |
| Crude Oil Production (thous. bbls.)                  | 2,551         | 2,243            | 2,384         | 13.7                                                                | 7.0   |
| Dry Gas Production (mil. cu. ft.)                    | 12,190        | 14,218           | 11,412        | -14.3                                                               | 6.8   |
| Coal Production . . . . .                            | 1,643.1       | 1,497.1          | 1,409.0       | 9.8                                                                 | 16.6  |
| New Oil and Gas Wells (number)                       | 154           | 134              | 103           | 14.9                                                                | 49.5  |
| Natural Gas Used (bil. cu. ft.)                      | 19.2          | 20.8             | 18.5          | - 7.7                                                               | 3.8   |
| Electrical Power Sales (mil. kwh)                    |               |                  |               |                                                                     |       |
| Residential . . . . .                                | 643.5         | 669.3r           | 572.7         | - 3.9                                                               | 12.4  |
| Nonresidential . . . . .                             | 989.8         | 1,030.2r         | 943.2         | - 3.9                                                               | 4.9   |
| New Construction, 122 places                         |               |                  |               |                                                                     |       |
| Residential permits (number)                         | 2,346         | 2,587            | 2,588         | - 9.3                                                               | - 9.4 |
| Residential value (\$000)                            | 188,160       | 163,142          | 146,642       | 15.3                                                                | 28.3  |
| Nonresidential permits (number)                      | 345           | 289              | 346           | 19.4                                                                | - 0.3 |
| Nonresidential value (\$000)                         | 95,319        | 45,111           | 92,472        | 111.3                                                               | 3.1   |
| Highway Contractor Payments (\$000)                  | 8,770         | 5,024            | 3,213         | 74.6                                                                | 173.0 |
| Savings and Loan Net New Savings (\$000,000)         | 55.1          | 121.1            | -18.0         | -54.5                                                               | -     |
| National Park Recreational Visits—10 Areas (000)     | 9.4           | n.r.             | 149.8         | -                                                                   | -     |
| Motor Vehicle Title Applications (000)               | 70.2          | 75.3             | 79.7          | 46.4                                                                | 38.3  |
| Highway Vehicle Traffic Counts at Border             |               |                  |               |                                                                     |       |
| Stations (daily average)                             | 30,599*       | 26,843           | 31,632        | 14.0                                                                | - 3.3 |
| Air Passengers, Stapleton (000) <sup>b</sup>         | 2,568         | 2,003            | 2,485         | 28.2                                                                | 3.3   |
| Air Freight and Air Express, Stapleton (thous. lbs.) | 33,210        | 26,866           | 25,234        | 23.6                                                                | 31.6  |
| Prices Received by Farmers (\$)                      |               |                  |               |                                                                     |       |
| Beef Cattle (per cwt)                                | 66.80         | 64.40            | 64.20         | 3.7                                                                 | 4.1   |
| Lambs (per cwt)                                      | 56.70         | 58.80            | 63.20         | - 3.6                                                               | -10.3 |
| Wheat (per bu.)                                      | 3.24          | 3.18             | 3.54          | 1.9                                                                 | - 8.5 |
| Corn (per bu.)                                       | 3.12          | 2.93             | 2.92          | 6.5                                                                 | 6.9   |
| Potatoes (per cwt)                                   | 7.05          | 7.20             | 3.80          | - 2.1                                                               | 85.5  |
| Wool (per lb.)                                       | .75           | .68              | .60           | 10.3                                                                | 25.0  |

NOTES: An asterisk (\*) indicates preliminary data subject to revision.  
Revised data are marked (r).  
n.r.—not reported.

<sup>a</sup>Employment figures have been updated to a March 1983 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a December 1981 benchmark. Thus, these data are not comparable to that published prior.

<sup>b</sup>Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Referee in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from 17 individual companies.

New Construction from Bureau of the Census, U.S. Department of Commerce.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

Recreational Visits from National Park Service, Denver.

Highway Traffic counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.



**LOCAL BUSINESS CONDITIONS**  
(All Figures in Thousands)

|                                             | March<br>1984 | February<br>1984 | March<br>1983 |                                           | March<br>1984 | February<br>1984 | March<br>1983 |
|---------------------------------------------|---------------|------------------|---------------|-------------------------------------------|---------------|------------------|---------------|
| <b>ALAMOSA (1982 pop. 7,182)</b>            |               |                  |               | <b>DENVER (1982 pop. 500,600)</b>         |               |                  |               |
| Electric Power (kwh) . . . .                | 3,555         | 4,095            | 3,182         | Electric Power (kwh) . . . .              | 349,083       | 366,087          | 329,101       |
| Constr. (\$)—Res. . . . .                   | 0             | 33               | 0             | Constr. (\$)—Res. . . . .                 | 14,532        | 9,056            | 17,050        |
| —Nonres. . . . .                            | 0             | 160              | 0             | —Nonres. . . . .                          | 9,461         | 8,128            | 32,807        |
| Deposits (\$) (2 of 2 banks)                | 51,315        | 50,033           | 50,248        | Deposits (\$) (45 of 48 banks)            | 7,487,446     | 7,515,070r       | 7,301,255     |
| <b>ARVADA (1982 pop. 91,262)</b>            |               |                  |               | <b>DURANGO (1982 pop. 12,276)</b>         |               |                  |               |
| Electric Power (kwh) . . . .                | 30,237        | 30,923           | 27,320        | Electric Power (kwh) . . . .              | 6,984*        | 8,474r           | 6,434         |
| Constr. (\$)—Res. . . . .                   | 6,244         | 6,788            | 3,333         | Constr. (\$)—Res. . . . .                 | 175           | 53               | 1,717         |
| —Nonres. . . . .                            | 173           | 0                | 235           | —Nonres. . . . .                          | 39            | 50               | 7,197         |
| Deposits (\$) (4 of 5 banks)                | 119,252       | 117,701          | 102,942       | Deposits (\$) (4 of 4 banks)              | 147,153       | 141,790          | 127,468       |
| <b>ASPEN (1982 pop. 4,081)</b>              |               |                  |               | <b>ENGLEWOOD (1982 pop. 30,555)</b>       |               |                  |               |
| Electric Power (kwh) . . . .                | 4,795         | 4,629            | 3,963         | Electric Power (kwh) . . . .              | 21,919        | 23,408           | 19,263        |
| Constr. (\$)—Res. . . . .                   | 0             | 300              | 0             | Constr. (\$)—Res. . . . .                 | 55            | 0                | 247           |
| —Nonres. . . . .                            | 0             | 0                | 0             | —Nonres. . . . .                          | 0             | 290              | 785           |
| Deposits (\$) (3 of 3 banks)                | 112,762       | 104,094          | 107,014       | Deposits (\$) (10 of 14 banks)            | 469,861       | 466,485          | 381,730       |
| <b>AURORA (1982 pop. 178,665)</b>           |               |                  |               | <b>ESTES PARK (1982 pop. 2,934)</b>       |               |                  |               |
| Electric Power (kwh) . . . .                | 96,227        | 101,255          | 84,518        | Electric Power (kwh) . . . .              | 5,498         | 5,937            | 4,561         |
| Constr. (\$)—Res. . . . .                   | 12,529        | 30,146           | 18,215        | Constr. (\$)—Res. . . . .                 | 634           | 164              | 0             |
| —Nonres. . . . .                            | 4,692         | 916              | 1,337         | —Nonres. . . . .                          | 0             | 0                | 602           |
| Deposits (\$) (13 of 16 banks)              | 293,984*      | 298,128          | 245,891       | Deposits (\$) (2 of 2 banks)              | 39,159        | 38,762           | 37,497        |
| <b>BOULDER (1982 pop. 80,651)</b>           |               |                  |               | <b>FORT COLLINS (1982 pop. 68,307)</b>    |               |                  |               |
| Electric Power (kwh) . . . .                | 57,810        | 62,486           | 51,228        | Electric Power (kwh) . . . .              | 45,267        | 46,132           | 49,461        |
| Constr. (\$)—Res. . . . .                   | 1,827         | 1,316            | 2,554         | Constr. (\$)—Res. . . . .                 | 4,012         | 5,798            | 2,827         |
| —Nonres. . . . .                            | 3,439         | 2,301            | 1,301         | —Nonres. . . . .                          | 337           | 2,293            | 198           |
| Deposits (\$) (10 of 10 banks)              | 557,154*      | 563,061r         | 519,394       | Deposits (\$) (9 of 9 banks)              | 443,908       | 427,469          | 402,443       |
| <b>BRIGHTON (1982 pop. 13,239)</b>          |               |                  |               | <b>FORT MORGAN (1982 pop. 8,913)</b>      |               |                  |               |
| Electric Power (kwh) . . . .                | 5,276         | 5,448            | 4,952         | Electric Power (kwh) . . . .              | 8,459         | 9,582            | 7,433         |
| Constr. (\$)—Res. . . . .                   | 303           | 384              | 443           | Constr. (\$)—Res. . . . .                 | 183           | 87               | 50            |
| —Nonres. . . . .                            | 0             | 0                | 855           | —Nonres. . . . .                          | 150           | 58               | 0             |
| Deposits (\$) (2 of 2 banks)                | 65,307        | 72,979           | 55,192        | Deposits (\$) (3 of 3 banks)              | 107,437       | 108,331          | 92,772        |
| <b>BROOMFIELD (1982 pop. 22,452)</b>        |               |                  |               | <b>GLENWOOD SPRINGS (1982 pop. 5,000)</b> |               |                  |               |
| Electric Power (kwh) . . . .                | 10,762        | 11,201           | 9,812         | Electric Power (kwh) . . . .              | 5,505         | 5,981            | 4,928         |
| Constr. (\$)—Res. . . . .                   | 3,081         | 1,883            | 423           | Constr. (\$)—Res. . . . .                 | 0             | 68               | 170           |
| —Nonres. . . . .                            | 1,400         | 0                | 0             | —Nonres. . . . .                          | 180           | 0                | 0             |
| Deposits (\$) (2 of 2 banks)                | 68,484        | 66,233           | 58,840        | Deposits (\$) (4 of 4 banks)              | 129,219       | 125,583          | 124,470       |
| <b>CANON CITY (1982 pop. 13,576)</b>        |               |                  |               | <b>GOLDEN (1982 pop. 13,109)</b>          |               |                  |               |
| Electric Power (kwh) . . . .                | 25,387        | 24,825           | 22,192        | Electric Power (kwh) . . . .              | 6,317         | 6,214            | 6,024         |
| Constr. (\$)—Res. . . . .                   | 93            | 219              | 30            | Constr. (\$)—Res. . . . .                 | 396           | 977              | 369           |
| —Nonres. . . . .                            | 393           | 0                | 77            | —Nonres. . . . .                          | 0             | 0                | 2,295         |
| Deposits (\$) (3 of 3 banks)                | 116,277       | 114,919          | 109,038       | Deposits (\$) (3 of 3 banks)              | 167,797       | 163,396          | 149,322       |
| <b>COLORADO SPRINGS (1982 pop. 230,553)</b> |               |                  |               | <b>GRAND JUNCTION (1982 pop. 32,082)</b>  |               |                  |               |
| Electric Power (kwh) . . . .                | 181,231       | 183,196          | 167,234       | Electric Power (kwh) . . . .              | 18,978        | 20,307           | 17,653        |
| Constr. (\$)—Res. . . . .                   | 46,680        | 20,775           | 21,358        | Constr. (\$)—Res. . . . .                 | 0             | 7,726            | 730           |
| —Nonres. . . . .                            | 14,220        | 8,686            | 18,194        | —Nonres. . . . .                          | 475           | 235              | 639           |
| Deposits (\$) (18 of 21 banks)              | 1,135,884     | 1,107,794        | 974,719       | Deposits (\$) (6 of 6 banks)              | 334,618       | 332,614          | 352,689       |
| <b>COMMERCE CITY (1982 pop. 16,412)</b>     |               |                  |               | <b>GREELEY (1982 pop. 54,063)</b>         |               |                  |               |
| Electric Power (kwh) . . . .                | 27,146        | 34,324           | 21,318        | Electric Power (kwh) . . . .              | 28,069        | 29,164           | 26,000        |
| Constr. (\$)—Res. . . . .                   | 465           | 162              | 57            | Constr. (\$)—Res. . . . .                 | 413           | 651              | 1,660         |
| —Nonres. . . . .                            | 457           | 238              | 500           | —Nonres. . . . .                          | 166           | 0                | 515           |
| Deposits (\$) (1 of 1 bank)                 | 29,997        | 28,180           | 28,020        | Deposits (\$) (9 of 9 banks)              | 498,798       | 501,515          | 463,593       |
| <b>CORTEZ (1982 pop. 7,489)</b>             |               |                  |               | <b>GUNNISON (1982 pop. 6,031)</b>         |               |                  |               |
| Electric Power (kwh) . . . .                | 4,332         | 4,493            | 3,797         | Electric Power (kwh) . . . .              | 4,868         | 5,340            | 4,109         |
| Constr. (\$)—Res. . . . .                   | 443           | 61               | 120           | Constr. (\$)—Res. . . . .                 | 0             | 0                | 0             |
| —Nonres. . . . .                            | 0             | 0                | 107           | —Nonres. . . . .                          | 0             | 0                | 0             |
| Deposits (\$) (3 of 3 banks)                | 97,953        | 95,244           | 83,835        | Deposits (\$) (2 of 2 banks)              | 50,558        | 50,094           | 49,621        |
| <b>CRAIG (1982 pop. 10,000)</b>             |               |                  |               | <b>LA JUNTA (1982 pop. 8,338)</b>         |               |                  |               |
| Electric Power (kwh) . . . .                | 5,285         | 5,846            | 4,885         | Electric Power (kwh) . . . .              | 4,677         | 4,642            | 4,912         |
| Constr. (\$)—Res. . . . .                   | 0             | 0                | 30            | Constr. (\$)—Res. . . . .                 | 0             | 0                | 80            |
| —Nonres. . . . .                            | 0             | 0                | 672           | —Nonres. . . . .                          | 164           | 0                | 0             |
| Deposits (\$) (2 of 2 banks)                | 62,074        | 63,800           | 64,060        | Deposits (\$) (2 of 2 banks)              | 57,951        | 55,942           | 50,225        |

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# LOCAL BUSINESS CONDITIONS—Continued

|                                               | March<br>1984 | February<br>1984 | March<br>1983 |                                       | March<br>1984 | February<br>1984 | March<br>1983 |
|-----------------------------------------------|---------------|------------------|---------------|---------------------------------------|---------------|------------------|---------------|
| <b>LAFAYETTE (1982 pop. 10,115)</b>           |               |                  |               | <b>ROCKY FORD (1982 pop. 4,574)</b>   |               |                  |               |
| Electric Power (kwh) . . . .                  | 3,433         | 3,827            | 2,900         | Electric Power (kwh) . . . .          | 4,950         | 5,612            | 4,746         |
| Constr. (\$)—Res. . . . .                     | 1,076         | 2,606            | 795           | Constr. (\$)—Res. . . . .             | 0             | 0                | 15            |
| —Nonres. . . . .                              | 0             | 0                | 0             | —Nonres. . . . .                      | 0             | 0                | 13            |
| Deposits (\$) (1 of 1 bank)                   | 17,783        | 17,353           | 16,057        | Deposits (\$) (1 of 2 banks)          | 14,201        | 14,421           | 14,194        |
| <b>LAKEWOOD (1982 pop. 117,436)</b>           |               |                  |               | <b>SALIDA (1982 pop. 4,478)</b>       |               |                  |               |
| Electric Power (kwh) . . . .                  | 61,838        | 62,910           | 56,174        | Electric Power (kwh) . . . .          | 1,825         | 2,133            | 1,827         |
| Constr. (\$)—Res. . . . .                     | 5,785         | 2,818            | 5,286         | Constr. (\$)—Res. . . . .             | 0             | 0                | 0             |
| —Nonres. . . . .                              | 899           | 836              | 10,540        | —Nonres. . . . .                      | 22            | 0                | 0             |
| Deposits (\$) (12 of 12 banks)                | 610,098       | 605,611          | 563,890       | Deposits (\$) (2 of 2 banks)          | 38,925        | 38,859           | 40,843        |
| <b>LAMAR (1982 pop. 7,793)</b>                |               |                  |               | <b>STERLING (1982 pop. 11,470)</b>    |               |                  |               |
| Electric Power (kwh) . . . .                  | 5,725         | 6,309            | 5,401         | Electric Power (kwh) . . . .          | 6,308         | 6,835            | 5,890         |
| Constr. (\$)—Res. . . . .                     | 110           | 0                | 121           | Constr. (\$)—Res. . . . .             | 47            | 0                | 45            |
| —Nonres. . . . .                              | 8             | 202              | 0             | —Nonres. . . . .                      | 98            | 0                | 227           |
| Deposits (\$) (2 of 2 banks)                  | 83,811        | 84,376           | 75,530        | Deposits (\$) (3 of 3 banks)          | 141,822       | 148,871          | 145,224       |
| <b>LITTLETON (1982 pop. 30,001)</b>           |               |                  |               | <b>THORNTON (1982 pop. 44,130)</b>    |               |                  |               |
| Electric Power (kwh) . . . .                  | 18,382        | 19,491           | 15,771        | Electric Power (kwh) . . . .          | 18,824        | 20,216           | 16,425        |
| Constr. (\$)—Res. . . . .                     | 1,274         | n.r.             | 3,568         | Constr. (\$)—Res. . . . .             | 4,958         | 5,813            | n.r.          |
| —Nonres. . . . .                              | 258           | n.r.             | 255           | —Nonres. . . . .                      | 30            | 1,231            | n.r.          |
| Deposits (\$) (9 of 12 banks)                 | 214,466       | 212,393          | 162,530       | Deposits (\$) (1 of 1 bank)           | 31,678        | 30,596           | 24,934        |
| <b>LONGMONT (1982 pop. 46,313)</b>            |               |                  |               | <b>TRINIDAD (1982 pop. 9,900)</b>     |               |                  |               |
| Electric Power (kwh) . . . .                  | 25,433        | 26,909           | 21,356        | Electric Power (kwh) . . . .          | 3,047         | 3,204            | 2,937         |
| Constr. (\$)—Res. . . . .                     | 7,921         | 2,036            | 1,877         | Constr. (\$)—Res. . . . .             | 39            | 0                | 0             |
| —Nonres. . . . .                              | 447           | 861              | 0             | —Nonres. . . . .                      | 0             | 0                | 0             |
| Deposits (\$) (5 of 6 banks)                  | 209,973*      | 222,543          | 204,688       | Deposits (\$) (2 of 2 banks)          | 63,827        | 58,310           | 54,821        |
| <b>LOUISVILLE (1982 pop. 6,067)</b>           |               |                  |               | <b>WESTMINSTER (1982 pop. 54,995)</b> |               |                  |               |
| Electric Power (kwh) . . . .                  | 10,502        | 12,333           | 10,231        | Electric Power (kwh) . . . .          | 24,820        | 26,325           | 18,283        |
| Constr. (\$)—Res. . . . .                     | 2,327         | 401              | 4,301         | Constr. (\$)—Res. . . . .             | 11,062        | 8,303            | 4,487         |
| —Nonres. . . . .                              | 78            | 0                | 1,357         | —Nonres. . . . .                      | 0             | 0                | 4,151         |
| Deposits (\$) (2 of 2 banks)                  | 27,489        | 27,117           | 23,294        | Deposits (\$) (3 of 3 banks)          | 110,574       | 108,477          | 96,090        |
| <b>LOVELAND (1982 pop. 30,962)</b>            |               |                  |               | <b>WHEAT RIDGE (1982 pop. 31,743)</b> |               |                  |               |
| Electric Power (kwh) . . . .                  | 22,411        | 22,178           | 21,489        | Electric Power (kwh) . . . .          | 23,792        | 23,698           | 20,297        |
| Constr. (\$)—Res. . . . .                     | 2,074         | 2,019            | 924           | Constr. (\$)—Res. . . . .             | 0             | 228              | 555           |
| —Nonres. . . . .                              | 829           | 273              | 282           | —Nonres. . . . .                      | 250           | 0                | 670           |
| Deposits (\$) (5 of 5 banks)                  | 164,128       | 161,243          | 143,603       | Deposits (\$) (2 of 2 banks)          | 104,674       | 98,273           | 86,083        |
| <b>MONTROSE (1982 pop. 8,895)<sup>b</sup></b> |               |                  |               |                                       |               |                  |               |
| Constr. (\$)—Res. . . . .                     | 162           | 30               | 122           |                                       |               |                  |               |
| —Nonres. . . . .                              | 204           | 0                | 127           |                                       |               |                  |               |
| Deposits (\$) (3 of 3 banks)                  | 114,242       | 120,371          | 109,149       |                                       |               |                  |               |
| <b>NORTHGLENN (1982 pop. 30,980)</b>          |               |                  |               |                                       |               |                  |               |
| Electric Power (kwh) . . . .                  | 11,478        | 11,472           | 10,503        |                                       |               |                  |               |
| Constr. (\$)—Res. . . . .                     | 125           | 0                | 281           |                                       |               |                  |               |
| —Nonres. . . . .                              | 482           | 0                | 21            |                                       |               |                  |               |
| Deposits (\$) (2 of 3 banks)                  | 74,884        | 69,875           | 69,373        |                                       |               |                  |               |
| <b>PUEBLO (1982 pop. 99,619)</b>              |               |                  |               |                                       |               |                  |               |
| Electric Power (kwh) . . . .                  | 51,340        | 50,873           | 45,598        |                                       |               |                  |               |
| Constr. (\$)—Res. . . . .                     | 1,134         | 187              | 426           |                                       |               |                  |               |
| —Nonres. . . . .                              | 25            | 82               | 59            |                                       |               |                  |               |
| Deposits (\$) (8 of 9 banks)                  | 403,818       | 407,497          | 397,706       |                                       |               |                  |               |

<sup>a</sup>Regional figures.

<sup>b</sup>Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.  
Construction figures are valuation of new residential and nonresidential construction only.  
Deposit figures are total deposits in commercial banks as of last day of month.  
n.r.—not reported  
\*—preliminary data  
r—revised data

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AUGUST 1984

## ABBREVIATED LOOK FOR SUMMER

During the months of June, July, and August the *Colorado Business Review* will contain only the Colorado Business Indicators and Local Business Conditions. With the September issue the *Review* will return to the usual format.

## COLORADO BUSINESS INDICATORS

(Figures in Thousands Unless Otherwise Indicated)

|                                                                 | April<br>1984 | March<br>1984 | April<br>1983 | Percent Change<br>April 1984 from |               |
|-----------------------------------------------------------------|---------------|---------------|---------------|-----------------------------------|---------------|
|                                                                 |               |               |               | March<br>1984                     | April<br>1983 |
| Total Civilian Labor Force (by place of residence) <sup>a</sup> | 1,694.2       | 1,681.4       | 1,655.0       | 0.8                               | 2.4           |
| Unemployment                                                    | 86.0          | 86.6          | 122.7         | - 0.7                             | -29.9         |
| Unemployment Rate (percent)                                     | 5.1           | 5.1           | 7.4           | —                                 | —             |
| Employment                                                      | 1,608.2       | 1,594.8       | 1,532.3       | 0.8                               | 5.0           |
| Nonagricultural Wage and Salary                                 | 1,577.6       | 1,569.1       | 1,501.2       | 0.5                               | 5.1           |
| Agricultural                                                    | 30.6          | 25.7          | 31.1          | 19.1                              | - 1.6         |
| Total Nonagricultural Wage and Salary                           |               |               |               |                                   |               |
| Employment (by place of work) <sup>a</sup>                      | 1,353.4       | 1,347.7       | 1,307.3       | 0.4                               | 3.5           |
| Mining                                                          | 37.2          | 37.1          | 36.8          | 0.3                               | 1.1           |
| Metallic Minerals                                               | 6.6           | 6.3           | 5.9           | 4.8                               | 11.9          |
| Bituminous Coal, Lignite, and Nonmetallic                       | 5.1           | 5.0           | 4.6           | 2.0                               | 10.9          |
| Oil and Gas Extraction                                          | 25.4          | 25.8          | 26.2          | - 1.6                             | - 3.1         |
| Contract Construction                                           | 82.5          | 80.7          | 75.1          | 2.2                               | 9.9           |
| Manufacturing                                                   | 185.6         | 183.9         | 176.3         | 0.9                               | 5.3           |
| Lumber, Wood Products, and Furniture                            | 6.2           | 6.3           | 6.0           | - 1.6                             | 3.3           |
| Stone, Clay, Glass, and Concrete Products                       | 9.8           | 9.6           | 9.0           | 2.1                               | 8.9           |
| Primary and Fabricated Metals                                   | 14.7          | 14.6          | 14.1          | 0.7                               | 4.3           |
| Machinery, Except Electrical                                    | 28.6          | 28.5          | 25.1          | 0.4                               | 13.9          |
| Electric and Electronic Equipment                               | 19.9          | 20.0          | 18.6          | - 0.5                             | 7.0           |
| Transportation Equipment                                        | 14.6          | 14.1          | 13.8          | 3.6                               | 5.8           |
| Other Durable Goods                                             | 27.4          | 27.4          | 27.5          | 0.0                               | - 0.4         |
| Food and Kindred Products                                       | 23.5          | 23.6          | 23.2          | - 0.4                             | 1.3           |
| Textiles and Apparel                                            | 3.0           | 3.0           | 2.9           | 0.0                               | 3.5           |
| Paper and Allied Products                                       | 2.1           | 2.1           | 2.0           | 0.0                               | 5.0           |
| Printing and Publishing                                         | 19.4          | 19.3          | 18.7          | 0.5                               | 3.7           |
| Chemicals and Allied Products                                   | 8.2           | 8.2           | 7.6           | 0.0                               | 7.9           |
| Other Nondurable Goods                                          | 8.1           | 7.2           | 7.8           | 12.5                              | 3.9           |
| Finance, Insurance, and Real Estate                             | 87.0          | 87.4          | 85.4          | - 0.5                             | 1.9           |
| Banking                                                         | 22.2          | 22.1          | 22.3          | 0.5                               | - 0.5         |
| Credit Agencies Other than Banks                                | 14.8          | 14.9          | 14.0          | - 0.7                             | 5.7           |
| Insurance Carriers, Agents, and Brokers                         | 20.9          | 21.0          | 20.7          | - 0.5                             | 1.0           |
| Real Estate and Combination Offices                             | 21.5          | 21.8          | 21.7          | - 1.4                             | - 0.9         |
| Other Finance, Insurance, and Real Estate                       | 7.5           | 7.6           | 6.7           | - 1.3                             | 11.9          |
| Transportation and Public Utilities                             | 84.9          | 84.6          | 83.8          | 0.4                               | 1.3           |
| Railroad Transportation                                         | 6.0           | 5.9           | 5.9           | 1.7                               | 1.7           |
| Trucking and Warehousing                                        | 16.8          | 16.8          | 16.5          | 0.0                               | 1.8           |
| Air Transportation                                              | 14.7          | 14.5          | 14.6          | 1.4                               | 0.7           |
| Other Transportation                                            | 6.7           | 6.6           | 6.5           | 1.5                               | 3.1           |
| Communications, Electric, Gas, and Sanitary Services            | 40.8          | 40.8          | 40.4          | 0.0                               | 1.0           |
| Trade                                                           | 329.3         | 327.1         | 318.0         | 0.7                               | 3.6           |
| Wholesale Trade                                                 | 78.9          | 79.1          | 76.5          | - 0.3                             | 3.1           |
| Retail Trade                                                    | 250.4         | 248.1         | 241.5         | 0.9                               | 3.7           |
| Services                                                        | 297.3         | 298.2         | 285.7         | - 0.3                             | 4.1           |
| Lodging and Combination Lodging/Eating Places                   | 25.2          | 25.9          | 24.1          | - 2.7                             | 4.6           |
| Personal Services                                               | 15.9          | 16.0          | 15.5          | - 0.6                             | 2.6           |
| Business Services                                               | 59.7          | 59.4          | 54.6          | 0.5                               | 9.3           |
| Auto and Miscellaneous Repair Services                          | 14.5          | 14.5          | 14.0          | 0.0                               | 3.6           |
| Amusements and Recreation                                       | 19.2          | 19.9          | 18.8          | - 3.5                             | 2.1           |
| Health Services                                                 | 75.6          | 75.5          | 74.4          | 0.1                               | 1.6           |
| Educational Services                                            | 11.1          | 11.1          | 10.9          | 0.0                               | 1.8           |
| Membership Organizations                                        | 21.1          | 21.2          | 20.3          | - 0.5                             | 3.9           |
| Other Services                                                  | 55.0          | 54.7          | 52.9          | 0.6                               | 4.0           |
| Government                                                      | 249.5         | 248.8         | 246.2         | 0.3                               | 1.3           |
| Federal                                                         | 51.9          | 51.7          | 51.5          | 0.4                               | 0.8           |
| State                                                           | 60.7          | 60.1          | 58.4          | 1.0                               | 3.9           |
| Local                                                           | 136.9         | 136.9         | 136.3         | 0.0                               | 0.4           |

|                                                                | April<br>1984 | March<br>1984 | April<br>1983 | Percent Change<br>April 1984 from<br>March 1984    April 1983 |       |
|----------------------------------------------------------------|---------------|---------------|---------------|---------------------------------------------------------------|-------|
| Average Weekly Hours                                           |               |               |               |                                                               |       |
| Construction . . . . .                                         | 38.4          | 38.3          | 35.9          | 0.3                                                           | 7.0   |
| Manufacturing . . . . .                                        | 40.5          | 40.2          | 39.4          | 0.8                                                           | 2.8   |
| Durable Goods . . . . .                                        | 40.9          | 40.4          | 39.9          | 1.2                                                           | 2.5   |
| Nondurable Goods . . . . .                                     | 39.7          | 39.8          | 38.5          | - 0.3                                                         | 3.1   |
| Average Weekly Earnings (\$)                                   |               |               |               |                                                               |       |
| Construction . . . . .                                         | 499.20        | 499.81        | 492.19        | - 0.1                                                         | 1.4   |
| Manufacturing . . . . .                                        | 376.65        | 372.25        | 350.66        | 1.2                                                           | 7.4   |
| Durable Goods . . . . .                                        | 388.96        | 382.18        | 357.10        | 1.8                                                           | 8.9   |
| Nondurable Goods . . . . .                                     | 355.31        | 354.62        | 339.57        | 0.2                                                           | 4.6   |
| Initial Unemployment Claims (000) . . . . .                    | 14.7          | 14.6          | 22.8          | 0.7                                                           | -35.5 |
| Bankruptcies, All Types (number) . . . . .                     | 571           | 596           | 521           | - 4.2                                                         | 9.6   |
| Total State Revenue (\$000) . . . . .                          | 399,962       | 388,824       | 411,455       | 2.9                                                           | - 2.8 |
| Total State Expenditures (\$000) . . . . .                     | 382,818       | 397,351       | 369,007       | - 3.7                                                         | 3.7   |
| Crude Oil Production (thous. bbls.) . . . . .                  | n.r.          | 2,551         | 2,313         | —                                                             | —     |
| Dry Gas Production (mil. cu. ft.) . . . . .                    | n.r.          | 12,190        | 10,115        | —                                                             | —     |
| Coal Production . . . . .                                      | 1,449.7       | 1,643.1       | 1,492.0       | -11.8                                                         | - 2.8 |
| New Oil and Gas Wells (number) . . . . .                       | n.r.          | 154           | 92            | —                                                             | —     |
| Natural Gas Used (bil. cu. ft.) . . . . .                      | 16.0          | 19.2          | 15.5          | -16.7                                                         | 3.2   |
| Electrical Power Sales (mil. kwh)                              |               |               |               |                                                               |       |
| Residential . . . . .                                          | 588.3*        | 643.5         | 572.6         | - 8.6                                                         | 2.7   |
| Nonresidential . . . . .                                       | 982.1*        | 989.8         | 1,004.8       | - 0.8                                                         | - 2.3 |
| New Construction, 122 places                                   |               |               |               |                                                               |       |
| Residential permits (number) . . . . .                         | 2,301         | 2,346         | 2,868         | - 1.9                                                         | -19.8 |
| Residential value (\$000) . . . . .                            | 170,217       | 188,160       | 176,614       | - 9.5                                                         | - 3.6 |
| Nonresidential permits (number) . . . . .                      | 329           | 345           | 304           | - 4.6                                                         | 8.2   |
| Nonresidential value (\$000) . . . . .                         | 90,294        | 95,319        | 42,051        | - 5.3                                                         | 114.7 |
| Highway Contractor Payments (\$000) . . . . .                  | 9,300         | 8,770         | 3,581         | 6.0                                                           | 159.7 |
| Savings and Loan Net New Savings (\$000,000) . . . . .         | 53.6          | 55.1          | 56.7          | - 2.7                                                         | - 5.5 |
| National Park Recreational Visits—10 Areas (000) . . . . .     | 145.9         | 106.1         | 189.0         | 37.5                                                          | -22.8 |
| Motor Vehicle Title Applications (000) . . . . .               | 88.5          | 110.2         | 110.0         | -19.7                                                         | -19.6 |
| Highway Vehicle Traffic Counts at Border                       |               |               |               |                                                               |       |
| Stations (daily average) . . . . .                             | 31,797        | 23,599*       | 32,748        | 34.7                                                          | - 2.9 |
| Air Passengers, Stapleton (000) <sup>b</sup> . . . . .         | n.r.          | 2,568         | 2,070         | —                                                             | —     |
| Air Freight and Air Express, Stapleton (thous. lbs.) . . . . . | n.r.          | 33,210        | 23,087        | —                                                             | —     |
| Prices Received by Farmers (\$)                                |               |               |               |                                                               |       |
| Beef Cattle (per cwt) . . . . .                                | 66.60         | 66.80         | 66.80         | - 0.3                                                         | - 0.3 |
| Lamb (per cwt) . . . . .                                       | 59.50         | 56.70         | 61.70         | 4.9                                                           | - 3.6 |
| Wheat (per bu.) . . . . .                                      | 3.31          | 3.24          | 3.61          | 2.2                                                           | - 8.3 |
| Corn (per bu.) . . . . .                                       | 3.24          | 3.12          | 3.20          | 3.9                                                           | 1.3   |
| Potatoes (per cwt) . . . . .                                   | 6.85          | 7.05          | 4.30          | - 2.8                                                         | 59.3  |
| Wool (per lb.) . . . . .                                       | .85           | .75           | .54           | 13.3                                                          | 57.4  |

NOTES: An asterisk (\*) indicates preliminary data subject to revision.  
Revised data are marked (r).  
n.r.—not reported.

<sup>a</sup>Employment figures have been updated to a March 1983 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a December 1981 benchmark. Thus, these data are not comparable to that published prior.

<sup>b</sup>Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Referee in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from 17 individual companies.

New Construction from Bureau of the Census, U.S. Department of Commerce.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

Recreational Visits from National Park Service, Denver.

Highway Traffic counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.



**LOCAL BUSINESS CONDITIONS**  
(All Figures in Thousands)

|                                             | April<br>1984 | March<br>1984 | April<br>1983 |                                           | April<br>1984 | March<br>1984 | April<br>1983 |
|---------------------------------------------|---------------|---------------|---------------|-------------------------------------------|---------------|---------------|---------------|
| <b>ALAMOSA (1982 pop. 7,182)</b>            |               |               |               | <b>DENVER (1982 pop. 500,600)</b>         |               |               |               |
| Electric Power (kwh) . . . .                | 3,207         | 3,555         | 3,089         | Electric Power (kwh) . . . .              | 343,405       | 349,083       | 331,818       |
| Constr. (\$)—Res. . . . .                   | 0             | 0             | 0             | Constr. (\$)—Res. . . . .                 | 11,276        | 14,532        | 15,480        |
| —Nonres. . . . .                            | 51            | 0             | 0             | —Nonres. . . . .                          | 7,618         | 9,461         | 2,933         |
| Deposits (\$) (2 of 2 banks)                | 53,585        | 51,315        | 50,132        | Deposits (\$) (45 of 48 banks)            | 7,511,291*    | 7,487,446     | 7,259,501     |
| <b>ARVADA (1982 pop. 91,262)</b>            |               |               |               | <b>DURANGO (1982 pop. 12,276)</b>         |               |               |               |
| Electric Power (kwh) . . . .                | 28,621        | 30,237        | 27,729        | Electric Power (kwh) . . . .              | 6,243*        | 6,984*        | 6,385         |
| Constr. (\$)—Res. . . . .                   | 3,648         | 6,244         | 2,886         | Constr. (\$)—Res. . . . .                 | 274           | 175           | 165           |
| —Nonres. . . . .                            | 488           | 173           | 34            | —Nonres. . . . .                          | 116           | 39            | 737           |
| Deposits (\$) (4 of 5 banks)                | 121,241       | 119,252       | 102,264       | Deposits (\$) (4 of 4 banks)              | 149,088       | 147,153       | 125,903       |
| <b>ASPEN (1982 pop. 4,081)</b>              |               |               |               | <b>ENGLEWOOD (1982 pop. 30,555)</b>       |               |               |               |
| Electric Power (kwh) . . . .                | 3,973         | 4,795         | 4,565         | Electric Power (kwh) . . . .              | 22,489        | 21,919        | 20,817        |
| Constr. (\$)—Res. . . . .                   | 0             | 0             | 0             | Constr. (\$)—Res. . . . .                 | 47            | 55            | 208           |
| —Nonres. . . . .                            | 0             | 0             | 0             | —Nonres. . . . .                          | 728           | 0             | 0             |
| Deposits (\$) (3 of 3 banks)                | 103,627       | 112,762       | 96,218        | Deposits (\$) (10 of 14 banks)            | 482,833       | 469,861       | 384,333       |
| <b>AURORA (1982 pop. 178,665)</b>           |               |               |               | <b>ESTES PARK (1982 pop. 2,934)</b>       |               |               |               |
| Electric Power (kwh) . . . .                | 92,509        | 96,227        | 82,068        | Electric Power (kwh) . . . .              | 5,434         | 5,498         | 5,245         |
| Constr. (\$)—Res. . . . .                   | 5,326         | 12,529        | 19,366        | Constr. (\$)—Res. . . . .                 | 734           | 634           | 299           |
| —Nonres. . . . .                            | 1,088         | 4,692         | 2,310         | —Nonres. . . . .                          | 0             | 0             | 0             |
| Deposits (\$) (13 of 16 banks)              | 303,716*      | 307,598       | 256,870       | Deposits (\$) (2 of 2 banks)              | 39,281        | 39,159        | 37,705        |
| <b>BOULDER (1982 pop. 80,651)</b>           |               |               |               | <b>FORT COLLINS (1982 pop. 68,307)</b>    |               |               |               |
| Electric Power (kwh) . . . .                | 57,126        | 57,810        | 58,857        | Electric Power (kwh) . . . .              | 44,299        | 45,267        | 45,913        |
| Constr. (\$)—Res. . . . .                   | 3,328         | 1,827         | 1,749         | Constr. (\$)—Res. . . . .                 | 6,803         | 4,012         | 4,013         |
| —Nonres. . . . .                            | 3,174         | 3,439         | 1,922         | —Nonres. . . . .                          | 2,635         | 337           | 541           |
| Deposits (\$) (10 of 10 banks)              | 605,289       | 571,191       | 566,269       | Deposits (\$) (9 of 9 banks)              | 447,322       | 443,908       | 415,885       |
| <b>BRIGHTON (1982 pop. 13,239)</b>          |               |               |               | <b>FORT MORGAN (1982 pop. 8,913)</b>      |               |               |               |
| Electric Power (kwh) . . . .                | 5,009         | 5,276         | 4,837         | Electric Power (kwh) . . . .              | 8,406         | 8,459         | 9,456         |
| Constr. (\$)—Res. . . . .                   | 490           | 303           | 125           | Constr. (\$)—Res. . . . .                 | 226           | 183           | 205           |
| —Nonres. . . . .                            | 5,620         | 0             | 12            | —Nonres. . . . .                          | 195           | 150           | 26            |
| Deposits (\$) (2 of 2 banks)                | 79,328        | 65,307        | 61,751        | Deposits (\$) (3 of 3 banks)              | 107,477       | 107,437       | 96,398        |
| <b>BROOMFIELD (1982 pop. 22,452)</b>        |               |               |               | <b>GLENWOOD SPRINGS (1982 pop. 5,000)</b> |               |               |               |
| Electric Power (kwh) . . . .                | 10,630        | 10,762        | 9,874         | Electric Power (kwh) . . . .              | 4,953         | 5,505         | 5,100         |
| Constr. (\$)—Res. . . . .                   | 2,710         | 3,081         | 207           | Constr. (\$)—Res. . . . .                 | 115           | 0             | 238           |
| —Nonres. . . . .                            | 722           | 1,400         | 0             | —Nonres. . . . .                          | 0             | 180           | 14            |
| Deposits (\$) (2 of 2 banks)                | 68,094        | 68,484        | 58,927        | Deposits (\$) (4 of 4 banks)              | 131,734       | 129,219       | 123,365       |
| <b>CANON CITY (1982 pop. 13,576)</b>        |               |               |               | <b>GOLDEN (1982 pop. 13,109)</b>          |               |               |               |
| Electric Power (kwh) . . . .                | 24,486        | 25,387        | 22,185        | Electric Power (kwh) . . . .              | 5,962         | 6,317         | 6,105         |
| Constr. (\$)—Res. . . . .                   | 167           | 93            | 257           | Constr. (\$)—Res. . . . .                 | 315           | 396           | 229           |
| —Nonres. . . . .                            | 0             | 393           | 200           | —Nonres. . . . .                          | 0             | 0             | 437           |
| Deposits (\$) (3 of 3 banks)                | 116,815       | 116,277       | 106,379       | Deposits (\$) (3 of 3 banks)              | 167,762       | 167,797       | 150,505       |
| <b>COLORADO SPRINGS (1982 pop. 230,553)</b> |               |               |               | <b>GRAND JUNCTION (1982 pop. 32,082)</b>  |               |               |               |
| Electric Power (kwh) . . . .                | n.r.          | 181,231       | 162,467       | Electric Power (kwh) . . . .              | 18,175        | 18,978        | 18,151        |
| Constr. (\$)—Res. . . . .                   | 38,177        | 46,680        | 28,919        | Constr. (\$)—Res. . . . .                 | 136           | 0             | 283           |
| —Nonres. . . . .                            | 11,373        | 14,220        | 18,612        | —Nonres. . . . .                          | 177           | 475           | 93            |
| Deposits (\$) (18 of 21 banks)              | 1,164,638*    | 1,135,884     | 1,003,626     | Deposits (\$) (6 of 6 banks)              | 339,687       | 334,618       | 346,998       |
| <b>COMMERCE CITY (1982 pop. 16,412)</b>     |               |               |               | <b>GREELEY (1982 pop. 54,063)</b>         |               |               |               |
| Electric Power (kwh) . . . .                | 29,918        | 27,146        | 37,222        | Electric Power (kwh) . . . .              | 26,054        | 28,069        | 26,332        |
| Constr. (\$)—Res. . . . .                   | 338*          | 465*          | 215           | Constr. (\$)—Res. . . . .                 | 1,650         | 413           | 1,004         |
| —Nonres. . . . .                            | 799*          | 457*          | 0             | —Nonres. . . . .                          | 0             | 166           | 1,010         |
| Deposits (\$) (1 of 1 bank)                 | 29,685        | 29,997        | 27,339        | Deposits (\$) (9 of 9 banks)              | 497,039       | 498,798       | 469,672       |
| <b>CORTEZ (1982 pop. 7,489)</b>             |               |               |               | <b>GUNNISON (1982 pop. 6,031)</b>         |               |               |               |
| Electric Power (kwh) . . . .                | 4,046         | 4,332         | 4,086         | Electric Power (kwh) . . . .              | 3,999         | 4,868         | 4,002         |
| Constr. (\$)—Res. . . . .                   | 192           | 443           | 184           | Constr. (\$)—Res. . . . .                 | 81            | 0             | 42            |
| —Nonres. . . . .                            | 23            | 0             | 0             | —Nonres. . . . .                          | 0             | 0             | 0             |
| Deposits (\$) (3 of 3 banks)                | 99,534        | 97,953        | 87,786        | Deposits (\$) (2 of 2 banks)              | 50,910        | 50,558        | 48,190        |
| <b>CRAIG (1982 pop. 10,000)</b>             |               |               |               | <b>LA JUNTA (1982 pop. 8,338)</b>         |               |               |               |
| Electric Power (kwh) . . . .                | 4,571         | 5,285         | 4,463         | Electric Power (kwh) . . . .              | 4,587         | 4,677         | 4,581         |
| Constr. (\$)—Res. . . . .                   | 0             | 0             | 0             | Constr. (\$)—Res. . . . .                 | 0             | 0             | 0             |
| —Nonres. . . . .                            | 0             | 0             | 0             | —Nonres. . . . .                          | 0             | 164           | 10            |
| Deposits (\$) (2 of 2 banks)                | 63,167        | 62,074        | 65,150        | Deposits (\$) (2 of 2 banks)              | 61,348        | 57,951        | 52,106        |

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# LOCAL BUSINESS CONDITIONS—Continued

|                                               | April<br>1984 | March<br>1984 | April<br>1983 |                                       | April<br>1984 | March<br>1984 | April<br>1983 |
|-----------------------------------------------|---------------|---------------|---------------|---------------------------------------|---------------|---------------|---------------|
| <b>LAFAYETTE (1982 pop. 10,115)</b>           |               |               |               | <b>ROCKY FORD (1982 pop. 4,574)</b>   |               |               |               |
| Electric Power (kwh) . . . .                  | 3,336         | 3,433         | 3,208         | Electric Power (kwh) . . . .          | 4,892         | 4,950         | 5,072         |
| Constr. (\$)—Res. . . . .                     | 1,866         | 1,076         | 544           | Constr. (\$)—Res. . . . .             | 0             | 0             | 0             |
| —Nonres. . . . .                              | 0             | 0             | 0             | —Nonres. . . . .                      | 0             | 0             | 0             |
| Deposits (\$) (1 of 1 bank)                   | 18,222        | 17,783        | 16,257        | Deposits (\$) (1 of 2 banks)          | 14,108        | 14,201        | 14,302        |
| <b>LAKEWOOD (1982 pop. 117,436)</b>           |               |               |               | <b>SALIDA (1982 pop. 4,478)</b>       |               |               |               |
| Electric Power (kwh) . . . .                  | 60,283        | 61,838        | 58,162        | Electric Power (kwh) . . . .          | 2,061         | 1,825         | 1,784         |
| Constr. (\$)—Res. . . . .                     | 6,670         | 5,785         | 6,562         | Constr. (\$)—Res. . . . .             | 0             | 0             | 0             |
| —Nonres. . . . .                              | 1,906         | 899           | 1,386         | —Nonres. . . . .                      | 0             | 22            | 0             |
| Deposits (\$) (12 of 12 banks)                | 611,614       | 610,098       | 547,915       | Deposits (\$) (2 of 2 banks)          | 40,582        | 38,925        | 41,270        |
| <b>LAMAR (1982 pop. 7,793)</b>                |               |               |               | <b>STERLING (1982 pop. 11,470)</b>    |               |               |               |
| Electric Power (kwh) . . . .                  | 6,424         | 5,725         | 6,145         | Electric Power (kwh) . . . .          | 5,815         | 6,308         | 5,825         |
| Constr. (\$)—Res. . . . .                     | 0             | 110           | 237           | Constr. (\$)—Res. . . . .             | 0             | 47            | 50            |
| —Nonres. . . . .                              | 29            | 8             | 130           | —Nonres. . . . .                      | 18            | 98            | 0             |
| Deposits (\$) (2 of 2 banks)                  | 85,002        | 83,811        | 78,915        | Deposits (\$) (3 of 3 banks)          | 150,463       | 141,822       | 145,138       |
| <b>LITTLETON (1982 pop. 30,001)</b>           |               |               |               | <b>THORNTON (1982 pop. 44,130)</b>    |               |               |               |
| Electric Power (kwh) . . . .                  | 17,973        | 18,382        | 16,538        | Electric Power (kwh) . . . .          | 17,400        | 18,824        | 17,341        |
| Constr. (\$)—Res. . . . .                     | 10,123        | 1,274         | 4,913         | Constr. (\$)—Res. . . . .             | 3,094         | 4,958         | n.r.          |
| —Nonres. . . . .                              | 1,456         | 258           | 4,577         | —Nonres. . . . .                      | 2,122         | 30            | n.r.          |
| Deposits (\$) (9 of 12 banks)                 | 210,548       | 214,466       | 163,993       | Deposits (\$) (1 of 1 bank)           | 31,939        | 31,678        | 25,137        |
| <b>LONGMONT (1982 pop. 46,313)</b>            |               |               |               | <b>TRINIDAD (1982 pop. 9,900)</b>     |               |               |               |
| Electric Power (kwh) . . . .                  | 26,786        | 25,433        | 23,259        | Electric Power (kwh) . . . .          | 3,041         | 3,047         | 3,105         |
| Constr. (\$)—Res. . . . .                     | 2,641*        | 7,921         | 2,469         | Constr. (\$)—Res. . . . .             | 0             | 39            | 0             |
| —Nonres. . . . .                              | 0*            | 447           | 295           | —Nonres. . . . .                      | 0             | 0             | 0             |
| Deposits (\$) (5 of 6 banks)                  | 212,411*      | 209,973*      | 206,372       | Deposits (\$) (2 of 2 banks)          | 60,182        | 63,827        | 55,404        |
| <b>LOUISVILLE (1982 pop. 6,067)</b>           |               |               |               | <b>WESTMINSTER (1982 pop. 54,995)</b> |               |               |               |
| Electric Power (kwh) . . . .                  | 11,420        | 10,502        | 16,942        | Electric Power (kwh) . . . .          | 23,938        | 24,820        | 21,736        |
| Constr. (\$)—Res. . . . .                     | 2,359         | 2,327         | 5,005         | Constr. (\$)—Res. . . . .             | 8,892         | 11,062        | 6,316         |
| —Nonres. . . . .                              | 15            | 78            | 143           | —Nonres. . . . .                      | 0             | 0             | 92            |
| Deposits (\$) (2 of 2 banks)                  | 29,590        | 27,489        | 24,889        | Deposits (\$) (3 of 3 banks)          | 112,750       | 110,574       | 95,082        |
| <b>LOVELAND (1982 pop. 30,962)</b>            |               |               |               | <b>WHEAT RIDGE (1982 pop. 31,743)</b> |               |               |               |
| Electric Power (kwh) . . . .                  | 22,008        | 22,411        | 19,808        | Electric Power (kwh) . . . .          | 23,591        | 23,792        | 22,235        |
| Constr. (\$)—Res. . . . .                     | 1,928         | 2,074         | 1,225         | Constr. (\$)—Res. . . . .             | 361           | 0             | 68            |
| —Nonres. . . . .                              | 1,329         | 829           | 80            | —Nonres. . . . .                      | 2,027         | 250           | 0             |
| Deposits (\$) (5 of 5 banks)                  | 168,377       | 164,128       | 142,082       | Deposits (\$) (2 of 2 banks)          | 105,780       | 104,674       | 86,639        |
| <b>MONTROSE (1982 pop. 8,895)<sup>b</sup></b> |               |               |               |                                       |               |               |               |
| Constr. (\$)—Res. . . . .                     | 322           | 162           | 98            |                                       |               |               |               |
| —Nonres. . . . .                              | 185           | 204           | 502           |                                       |               |               |               |
| Deposits (\$) (3 of 3 banks)                  | 117,864       | 114,242       | 111,479       |                                       |               |               |               |
| <b>NORTHGLENN (1982 pop. 30,980)</b>          |               |               |               |                                       |               |               |               |
| Electric Power (kwh) . . . .                  | 11,055        | 11,478        | 10,899        |                                       |               |               |               |
| Constr. (\$)—Res. . . . .                     | 60*           | 125           | 540           |                                       |               |               |               |
| —Nonres. . . . .                              | 0             | 482           | 1,250         |                                       |               |               |               |
| Deposits (\$) (2 of 3 banks)                  | 75,767        | 74,884        | 68,915        |                                       |               |               |               |
| <b>PUEBLO (1982 pop. 99,619)</b>              |               |               |               |                                       |               |               |               |
| Electric Power (kwh) . . . .                  | 47,278        | 51,340        | 45,548        |                                       |               |               |               |
| Constr. (\$)—Res. . . . .                     | 107           | 1,134         | 523           |                                       |               |               |               |
| —Nonres. . . . .                              | 30            | 25            | 226           |                                       |               |               |               |
| Deposits (\$) (8 of 9 banks)                  | 409,963       | 403,818       | 396,499       |                                       |               |               |               |

<sup>a</sup>Regional figures.

<sup>b</sup>Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.  
Construction figures are valuation of new residential and nonresidential construction only.  
Deposit figures are total deposits in commercial banks as of last day of month.  
n.r.—not reported  
\*—preliminary data  
r—revised data

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## COLORADO BUSINESS INDICATORS (Figures in Thousands Unless Otherwise Indicated)

|                                                                 | May<br>1984 | April<br>1984 | May<br>1983 | Percent Change<br>May 1984 from |             |
|-----------------------------------------------------------------|-------------|---------------|-------------|---------------------------------|-------------|
|                                                                 |             |               |             | April<br>1984                   | May<br>1983 |
| Total Civilian Labor Force (by place of residence) <sup>a</sup> | 1,706.8     | 1,694.2       | 1,673.4     | 0.7                             | 2.0         |
| Unemployment                                                    | 86.2        | 86.0          | 115.8       | 0.2                             | -25.6       |
| Unemployment Rate (percent)                                     | 5.0         | 5.1           | 6.9         | —                               | —           |
| Employment                                                      | 1,620.6     | 1,608.2       | 1,557.6     | 0.8                             | 4.0         |
| Nonagricultural Wage and Salary                                 | 1,582.6     | 1,577.6       | 1,519.1     | 0.3                             | 4.2         |
| Agricultural                                                    | 38.0        | 30.6          | 38.5        | 24.2                            | -1.3        |
| Total Nonagricultural Wage and Salary                           |             |               |             |                                 |             |
| Employment (by place of work) <sup>a</sup>                      | 1,358.0     | 1,353.4       | 1,314.7     | 0.3                             | 3.3         |
| Mining                                                          | 37.4        | 37.2          | 36.6        | 0.5                             | 2.2         |
| Metallic Minerals                                               | 6.8         | 6.6           | 5.9         | 3.0                             | 15.3        |
| Bituminous Coal, Lignite, and Nonmetallic                       | 5.3         | 5.1           | 4.7         | 3.9                             | 12.8        |
| Oil and Gas Extraction                                          | 25.4        | 25.4          | 26.0        | 0.0                             | -2.3        |
| Contract Construction                                           | 85.3        | 82.5          | 78.9        | 3.4                             | 8.1         |
| Manufacturing                                                   | 186.7       | 185.6         | 177.1       | 0.6                             | 5.4         |
| Lumber, Wood Products, and Furniture                            | 6.3         | 6.2           | 6.2         | 1.6                             | 1.6         |
| Stone, Clay, Glass, and Concrete Products                       | 9.8         | 9.8           | 9.1         | 0.0                             | 7.7         |
| Primary and Fabricated Metals                                   | 14.5        | 14.7          | 14.2        | -1.4                            | 2.1         |
| Machinery, Except Electrical                                    | 28.8        | 28.6          | 25.5        | 0.7                             | 12.9        |
| Electric and Electronic Equipment                               | 19.9        | 19.9          | 18.8        | 0.0                             | 5.9         |
| Transportation Equipment                                        | 15.0        | 14.6          | 13.6        | 2.7                             | 10.3        |
| Other Durable Goods                                             | 27.4        | 27.4          | 27.6        | 0.0                             | -0.7        |
| Food and Kindred Products                                       | 24.0        | 23.5          | 23.3        | 2.1                             | 3.0         |
| Textiles and Apparel                                            | 3.1         | 3.0           | 2.9         | 3.3                             | 6.9         |
| Paper and Allied Products                                       | 2.2         | 2.1           | 2.0         | 4.8                             | 10.0        |
| Printing and Publishing                                         | 19.4        | 19.4          | 18.6        | 0.0                             | 4.3         |
| Chemicals and Allied Products                                   | 8.3         | 8.2           | 7.7         | 1.2                             | 7.8         |
| Other Nondurable Goods                                          | 8.0         | 8.1           | 7.7         | -1.2                            | 3.9         |
| Finance, Insurance, and Real Estate                             | 87.2        | 87.0          | 85.5        | 0.2                             | 2.0         |
| Banking                                                         | 22.3        | 22.2          | 22.3        | 0.5                             | 0.0         |
| Credit Agencies Other than Banks                                | 14.8        | 14.8          | 14.4        | 0.0                             | 2.8         |
| Insurance Carriers, Agents, and Brokers                         | 21.1        | 20.9          | 20.7        | 1.0                             | 1.9         |
| Real Estate and Combination Offices                             | 21.6        | 21.5          | 21.4        | 0.5                             | 0.9         |
| Other Finance, Insurance, and Real Estate                       | 7.5         | 7.5           | 6.8         | 0.0                             | 10.3        |
| Transportation and Public Utilities                             | 85.0        | 84.9          | 83.8        | 0.1                             | 1.4         |
| Railroad Transportation                                         | 5.9         | 6.0           | 5.7         | -1.7                            | 3.5         |
| Trucking and Warehousing                                        | 16.9        | 16.3          | 16.3        | 0.6                             | 3.7         |
| Air Transportation                                              | 14.7        | 14.7          | 15.0        | 0.0                             | -2.0        |
| Other Transportation                                            | 6.7         | 6.7           | 6.4         | 0.0                             | 4.7         |
| Communications, Electric, Gas, and Sanitary Services            | 40.8        | 40.8          | 40.4        | 0.0                             | 1.0         |
| Trade                                                           | 331.3       | 329.3         | 323.1       | 0.6                             | 2.5         |
| Wholesale Trade                                                 | 79.1        | 78.9          | 76.9        | 0.3                             | 2.9         |
| Retail Trade                                                    | 252.2       | 250.4         | 246.3       | 0.7                             | 2.4         |
| Services                                                        | 295.5       | 297.3         | 282.5       | -0.6                            | 4.6         |
| Lodging and Combination Lodging/Eating Places                   | 24.9        | 25.2          | 22.7        | -1.2                            | 9.7         |
| Personal Services                                               | 15.2        | 15.9          | 14.6        | -4.4                            | 4.1         |
| Business Services                                               | 60.2        | 59.7          | 54.7        | 0.8                             | 10.1        |
| Auto and Miscellaneous Repair Services                          | 14.6        | 14.5          | 14.1        | 0.7                             | 3.6         |
| Amusements and Recreation                                       | 17.0        | 19.2          | 16.5        | -11.5                           | 3.0         |
| Health Services                                                 | 75.7        | 75.6          | 74.6        | 0.1                             | 1.5         |
| Educational Services                                            | 11.1        | 11.1          | 11.1        | 0.0                             | 0.0         |
| Membership Organizations                                        | 21.3        | 21.1          | 20.6        | 1.0                             | 3.4         |
| Other Services                                                  | 55.6        | 55.0          | 53.5        | 1.1                             | 3.9         |
| Government                                                      | 249.7       | 249.5         | 247.2       | 0.1                             | 1.0         |
| Federal                                                         | 52.3        | 51.9          | 51.7        | 0.8                             | 1.2         |
| State                                                           | 59.4        | 60.7          | 58.2        | -2.1                            | 2.1         |
| Local                                                           | 138.0       | 136.9         | 137.2       | 0.8                             | 0.6         |

|                                                                | May<br>1984 | April<br>1984 | May<br>1983 | Percent Change<br>May 1984 from<br>April 1984      May 1983 |       |
|----------------------------------------------------------------|-------------|---------------|-------------|-------------------------------------------------------------|-------|
| Average Weekly Hours                                           |             |               |             |                                                             |       |
| Construction . . . . .                                         | 40.1        | 38.4          | 37.0        | 4.4                                                         | 8.4   |
| Manufacturing . . . . .                                        | 40.7        | 40.5          | 39.6        | 0.5                                                         | 2.8   |
| Durable Goods . . . . .                                        | 41.1        | 40.9          | 40.2        | 0.5                                                         | 2.2   |
| Nondurable Goods . . . . .                                     | 40.0        | 39.7          | 38.8        | 0.8                                                         | 3.1   |
| Average Weekly Earnings (\$)                                   |             |               |             |                                                             |       |
| Construction . . . . .                                         | 525.71      | 499.20        | 498.02      | 5.3                                                         | 5.6   |
| Manufacturing . . . . .                                        | 378.92      | 376.65        | 353.63      | 0.6                                                         | 7.2   |
| Durable Goods . . . . .                                        | 391.27      | 388.96        | 361.80      | 0.6                                                         | 8.2   |
| Nondurable Goods . . . . .                                     | 358.40      | 355.31        | 341.44      | 0.9                                                         | 5.0   |
| Initial Unemployment Claims (000) . . . . .                    | 12.3        | 14.7          | 16.5        | -16.3                                                       | -25.5 |
| Bankruptcies, All Types (number) . . . . .                     | 612         | 571           | 541         | 7.2                                                         | 13.1  |
| Total State Revenue (\$000) . . . . .                          | 284,977     | 399,962       | 324,537     | -28.8                                                       | -12.2 |
| Total State Expenditures (\$000) . . . . .                     | 362,447     | 382,818       | 370,286     | - 5.3                                                       | - 2.1 |
| Crude Oil Production (thous. bbls.) . . . . .                  | 2,435       | 2,468         | 2,400       | - 1.3                                                       | 1.5   |
| Dry Gas Production (mil. cu. ft.) . . . . .                    | 9,879       | 11,303        | 8,515       | -12.6                                                       | 16.0  |
| Coal Production . . . . .                                      | 1,647.6     | 1,449.7       | 1,465.7     | 13.7                                                        | 12.4  |
| New Oil and Gas Wells (number) . . . . .                       | 162         | 129           | 126         | 25.6                                                        | 28.6  |
| Natural Gas Used (bil. cu. ft.) . . . . .                      | 8.6         | 16.0          | 11.1        | -46.3                                                       | -22.5 |
| Electrical Power Sales (mil. kwh)                              |             |               |             |                                                             |       |
| Residential . . . . .                                          | 542.5       | 592.0r        | 509.1       | - 8.4                                                       | 6.6   |
| Nonresidential . . . . .                                       | 968.2       | 990.8r        | 923.3       | - 0.3                                                       | 7.0   |
| New Construction, 122 places                                   |             |               |             |                                                             |       |
| Residential permits (number) . . . . .                         | 2,763       | 2,301         | 3,323       | 20.1                                                        | -16.9 |
| Residential value (\$000) . . . . .                            | 217,233     | 170,217       | 213,472     | 27.6                                                        | 1.8   |
| Nonresidential permits (number) . . . . .                      | 496         | 329           | 323         | 50.8                                                        | 53.6  |
| Nonresidential value (\$000) . . . . .                         | 412,475     | 90,294        | 96,098      | 356.8                                                       | 329.2 |
| Highway Contractor Payments (\$000) . . . . .                  | 16,787      | 9,300         | 9,325       | 80.5                                                        | 80.0  |
| Savings and Loan Net New Savings (\$000,000) . . . . .         | 167.4       | 53.6          | 29.7        | 212.3                                                       | 463.6 |
| National Park Recreational Visits—10 Areas (000) . . . . .     | 336.9       | 145.9         | 367.8       | 130.9                                                       | - 8.4 |
| Motor Vehicle Title Applications (000) . . . . .               | 93.9        | 82.5          | 88.4        | 6.1                                                         | 6.2   |
| Highway Vehicle Traffic Counts at Border                       |             |               |             |                                                             |       |
| Stations (daily average) . . . . .                             | 39,041*     | 31,797        | 39,221      | 22.8                                                        | - 0.5 |
| Air Passengers, Stapleton (000) <sup>b</sup> . . . . .         | 2,394       | 2,161         | 1,986       | 10.8                                                        | 20.5  |
| Air Freight and Air Express, Stapleton (thous. lbs.) . . . . . | 28,713      | 26,297        | 24,957      | 9.2                                                         | 15.1  |
| Prices Received by Farmers (\$)                                |             |               |             |                                                             |       |
| Beef Cattle (per cwt) . . . . .                                | 64.60       | 66.60         | 66.10       | - 3.0                                                       | - 2.3 |
| Lamb (per cwt) . . . . .                                       | 62.10       | 59.50         | 59.60       | 4.4                                                         | 4.2   |
| Wheat (per bu.) . . . . .                                      | 3.34        | 3.31          | 3.50        | 0.9                                                         | - 4.6 |
| Corn (per bu.) . . . . .                                       | 3.21        | 3.24          | 3.15        | - 0.9                                                       | 1.9   |
| Potatoes (per cwt) . . . . .                                   | 7.00        | 6.85          | 4.65        | 2.2                                                         | 50.5  |
| Wool (per lb.) . . . . .                                       | .85         | .85           | .55         | 0.0                                                         | 54.6  |

NOTES: An asterisk (\*) indicates preliminary data subject to revision.  
Revised data are marked (r).  
n.r.—not reported.

<sup>a</sup>Employment figures have been updated to a March 1983 benchmark and are arranged by 1972 Standard Industrial Classifications (SIC). Previously reported data were on a December 1981 benchmark. Thus, these data are not comparable to that published prior.

<sup>b</sup>Includes scheduled airlines, commuter airlines, and charter passengers.

Employment, Hours, and Earnings data from Colorado Department of Labor and Employment.

Bankruptcies from the Office of the Federal Referee in Bankruptcy.

State Revenue and Expenditures from the State Controller's Office.

Crude Oil Production, Dry Gas Production and New Oil and Gas Wells from the Oil and Gas Conservation Commission.

Coal Production from Colorado State Coal Mine Inspection Department.

Natural Gas Used from Colorado Interstate Gas Company.

Electrical Power Sales from 17 individual companies.

New Construction from Bureau of the Census, U.S. Department of Commerce.

Highway Contractor Payments from the Colorado Highway Department.

Life Insurance Sales from the Life Insurance Marketing and Research Association, Inc.

Savings and Loan Net New Savings from Federal Home Loan Bank of Topeka.

Recreational Visits from National Park Service, Denver.

Highway Traffic counts from Colorado Highway Department.

Air Passengers, Freight, and Express from Stapleton International Airport Business Office.

Prices Received by Farmers from U.S. Department of Agriculture.



**LOCAL BUSINESS CONDITIONS**  
(All Figures in Thousands)

|                                             | May<br>1984 | April<br>1984 | May<br>1983 |                                           | May<br>1984 | April<br>1984 | May<br>1983 |
|---------------------------------------------|-------------|---------------|-------------|-------------------------------------------|-------------|---------------|-------------|
| <b>ALAMOSA (1982 pop. 7,182)</b>            |             |               |             | <b>DENVER (1982 pop. 500,600)</b>         |             |               |             |
| Electric Power (kwh) . . . .                | 3,200       | 3,207         | 2,990       | Electric Power (kwh) . . . .              | 335,158     | 343,405       | 323,335     |
| Constr. (\$)—Res. . . . .                   | 0           | 0             | 373         | Constr. (\$)—Res. . . . .                 | 10,556      | 11,276        | 19,706      |
| —Nonres. . . . .                            | 0           | 51            | 0           | —Nonres. . . . .                          | 15,783      | 7,618         | 51,628      |
| Deposits (\$) (2 of 2 banks)                | 52,939      | 53,585        | 52,734      | Deposits (\$) (45 of 48 banks)            | 7,477,097*  | 7,511,291*    | 7,433,944   |
| <b>ARVADA (1982 pop. 91,262)</b>            |             |               |             | <b>DURANGO (1982 pop. 12,276)</b>         |             |               |             |
| Electric Power (kwh) . . . .                | 28,142      | 28,621        | 27,342      | Electric Power (kwh) . . . .              | n.r.        | 6,243*        | 6,269       |
| Constr. (\$)—Res. . . . .                   | 5,498       | 3,648         | 3,902       | Constr. (\$)—Res. . . . .                 | 2,087       | 274           | 369         |
| —Nonres. . . . .                            | 0           | 488           | 0           | —Nonres. . . . .                          | 263         | 116           | 0           |
| Deposits (\$) (4 of 5 banks)                | 122,263     | 121,241       | 114,792     | Deposits (\$) (4 of 4 banks)              | 149,185     | 149,088       | 135,094     |
| <b>ASPEN (1982 pop. 4,081)</b>              |             |               |             | <b>ENGLEWOOD (1982 pop. 30,555)</b>       |             |               |             |
| Electric Power (kwh) . . . .                | 2,698       | 3,973         | 3,243       | Electric Power (kwh) . . . .              | 20,294      | 22,489        | 19,137      |
| Constr. (\$)—Res. . . . .                   | 0           | 0             | 525         | Constr. (\$)—Res. . . . .                 | 43          | 47            | 3,268       |
| —Nonres. . . . .                            | 0           | 0             | 0           | —Nonres. . . . .                          | 3,150       | 728           | 0           |
| Deposits (\$) (3 of 3 banks)                | 80,152*     | 103,627       | 90,870      | Deposits (\$) (10 of 14 banks)            | 481,920     | 482,833       | 410,792     |
| <b>AURORA (1982 pop. 178,665)</b>           |             |               |             | <b>ESTES PARK (1982 pop. 2,934)</b>       |             |               |             |
| Electric Power (kwh) . . . .                | 95,756      | 92,509        | 83,667      | Electric Power (kwh) . . . .              | 4,868       | 5,434         | 4,395       |
| Constr. (\$)—Res. . . . .                   | 12,473      | 5,326         | 30,720      | Constr. (\$)—Res. . . . .                 | 822         | 734           | 284         |
| —Nonres. . . . .                            | 3,583       | 1,088         | 4,673       | —Nonres. . . . .                          | 0           | 0             | 0           |
| Deposits (\$) (13 of 16 banks)              | 321,997     | 317,021r      | 273,719     | Deposits (\$) (2 of 2 banks)              | 41,668      | 39,281        | 39,289      |
| <b>BOULDER (1982 pop. 80,651)</b>           |             |               |             | <b>FORT COLLINS (1982 pop. 68,307)</b>    |             |               |             |
| Electric Power (kwh) . . . .                | 57,176      | 57,126        | 55,404      | Electric Power (kwh) . . . .              | 41,799      | 44,299        | 41,349      |
| Constr. (\$)—Res. . . . .                   | 3,101       | 3,328         | 2,479       | Constr. (\$)—Res. . . . .                 | 9,025       | 6,803         | 5,709       |
| —Nonres. . . . .                            | 2,343       | 3,174         | 1,211       | —Nonres. . . . .                          | 303,027     | 2,635         | 2,517       |
| Deposits (\$) (10 of 10 banks)              | 583,598     | 605,289       | 562,674     | Deposits (\$) (9 of 9 banks)              | 449,503     | 447,322       | 429,073     |
| <b>BRIGHTON (1982 pop. 13,239)</b>          |             |               |             | <b>FORT MORGAN (1982 pop. 8,913)</b>      |             |               |             |
| Electric Power (kwh) . . . .                | 4,625       | 5,009         | 4,632       | Electric Power (kwh) . . . .              | 6,446       | 8,406         | 6,177       |
| Constr. (\$)—Res. . . . .                   | 338         | 490           | 60          | Constr. (\$)—Res. . . . .                 | 240         | 226           | 167         |
| —Nonres. . . . .                            | 277         | 5,620         | 172         | —Nonres. . . . .                          | 0           | 195           | 0           |
| Deposits (\$) (2 of 2 banks)                | 74,802      | 79,328        | 60,943      | Deposits (\$) (3 of 3 banks)              | 106,589     | 107,477       | 97,947      |
| <b>BROOMFIELD (1982 pop. 22,452)</b>        |             |               |             | <b>GLENWOOD SPRINGS (1982 pop. 5,000)</b> |             |               |             |
| Electric Power (kwh) . . . .                | 10,507      | 10,630        | 8,537       | Electric Power (kwh) . . . .              | 4,525       | 4,953         | 4,686       |
| Constr. (\$)—Res. . . . .                   | 1,264       | 2,710         | 575         | Constr. (\$)—Res. . . . .                 | 64          | 115           | 0           |
| —Nonres. . . . .                            | 1,577       | 722           | 0           | —Nonres. . . . .                          | 74          | 0             | 216         |
| Deposits (\$) (2 of 2 banks)                | 73,425      | 68,094        | 60,902      | Deposits (\$) (4 of 4 banks)              | 132,715     | 131,734       | 129,573     |
| <b>CANON CITY (1982 pop. 13,576)</b>        |             |               |             | <b>GOLDEN (1982 pop. 13,109)</b>          |             |               |             |
| Electric Power (kwh) . . . .                | 23,986      | 24,486        | 22,643      | Electric Power (kwh) . . . .              | 5,835       | 5,962         | 5,635       |
| Constr. (\$)—Res. . . . .                   | 695         | 167           | 108         | Constr. (\$)—Res. . . . .                 | 743         | 315           | 307         |
| —Nonres. . . . .                            | 0           | 0             | 72          | —Nonres. . . . .                          | 0           | 0             | 0           |
| Deposits (\$) (3 of 3 banks)                | 118,910     | 116,815       | 108,588     | Deposits (\$) (3 of 3 banks)              | 172,068     | 167,762       | 156,053     |
| <b>COLORADO SPRINGS (1982 pop. 230,553)</b> |             |               |             | <b>GRAND JUNCTION (1982 pop. 32,082)</b>  |             |               |             |
| Electric Power (kwh) . . . .                | 169,784     | 176,396       | 158,001     | Electric Power (kwh) . . . .              | 20,650      | 18,175        | 17,160      |
| Constr. (\$)—Res. . . . .                   | 29,125      | 38,177        | 30,153      | Constr. (\$)—Res. . . . .                 | 101         | 136           | 100         |
| —Nonres. . . . .                            | 38,637      | 11,373        | 9,458       | —Nonres. . . . .                          | 63          | 177           | 378         |
| Deposits (\$) (18 of 21 banks)              | 1,160,996   | 1,182,543     | 1,028,829   | Deposits (\$) (6 of 6 banks)              | 343,013     | 339,687       | 355,459     |
| <b>COMMERCE CITY (1982 pop. 16,412)</b>     |             |               |             | <b>GREELEY (1982 pop. 54,063)</b>         |             |               |             |
| Electric Power (kwh) . . . .                | 27,747      | 29,918        | 18,891      | Electric Power (kwh) . . . .              | 26,488      | 26,054        | 23,919      |
| Constr. (\$)—Res. . . . .                   | 457         | 375r          | 33          | Constr. (\$)—Res. . . . .                 | 2,086       | 1,650         | 1,451       |
| —Nonres. . . . .                            | 0           | 1,222r        | 716         | —Nonres. . . . .                          | 55          | 0             | 134         |
| Deposits (\$) (1 of 1 bank)                 | 31,296      | 29,685        | 28,862      | Deposits (\$) (9 of 9 banks)              | 492,021     | 497,039       | 477,168     |
| <b>CORTEZ (1982 pop. 7,489)</b>             |             |               |             | <b>GUNNISON (1982 pop. 6,031)</b>         |             |               |             |
| Electric Power (kwh) . . . .                | 3,520       | 4,046         | 3,435       | Electric Power (kwh) . . . .              | 3,416       | 3,999         | 3,579       |
| Constr. (\$)—Res. . . . .                   | 210         | 192           | 255         | Constr. (\$)—Res. . . . .                 | 0           | 81            | 31          |
| —Nonres. . . . .                            | 202         | 23            | 16          | —Nonres. . . . .                          | 0           | 0             | 0           |
| Deposits (\$) (3 of 3 banks)                | 97,156      | 99,534        | 96,871      | Deposits (\$) (2 of 2 banks)              | 51,778      | 50,910        | 49,703      |
| <b>CRAIG (1982 pop. 10,000)</b>             |             |               |             | <b>LA JUNTA (1982 pop. 8,338)</b>         |             |               |             |
| Electric Power (kwh) . . . .                | 4,340       | 4,571         | 4,342       | Electric Power (kwh) . . . .              | 4,260       | 4,587         | 4,709       |
| Constr. (\$)—Res. . . . .                   | 60          | 0             | 0           | Constr. (\$)—Res. . . . .                 | 65          | 0             | 83          |
| —Nonres. . . . .                            | 0           | 0             | 0           | —Nonres. . . . .                          | 7           | 0             | 0           |
| Deposits (\$) (2 of 2 banks)                | 62,142      | 63,167        | 63,348      | Deposits (\$) (2 of 2 banks)              | 62,140      | 61,348        | 55,386      |

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# LOCAL BUSINESS CONDITIONS—Continued

|                                         | May<br>1984 | April<br>1984 | May<br>1983 |                                | May<br>1984 | April<br>1984 | May<br>1983 |
|-----------------------------------------|-------------|---------------|-------------|--------------------------------|-------------|---------------|-------------|
| LAFAYETTE (1982 pop. 10,115)            |             |               |             | ROCKY FORD (1982 pop. 4,574)   |             |               |             |
| Electric Power (kwh) . . . .            | 3,048       | 3,336         | 2,540       | Electric Power (kwh) . . . .   | 4,921       | 4,892         | 4,360       |
| Constr. (\$)—Res. . . . .               | 1,931       | 1,866         | 805         | Constr. (\$)—Res. . . . .      | 0           | 0             | 0           |
| —Nonres. . . . .                        | 122         | 0             | 250         | —Nonres. . . . .               | 175         | 0             | 15          |
| Deposits (\$) (1 of 1 bank)             | 19,006      | 18,222        | 16,869      | Deposits (\$) (1 of 2 banks)   | 14,090      | 14,108        | 14,003      |
| LAKEWOOD (1982 pop. 117,436)            |             |               |             | SALIDA (1982 pop. 4,478)       |             |               |             |
| Electric Power (kwh) . . . .            | 58,720      | 60,283        | 50,414      | Electric Power (kwh) . . . .   | 1,631       | 2,061         | 2,293       |
| Constr. (\$)—Res. . . . .               | 7,532       | 6,670         | 9,969       | Constr. (\$)—Res. . . . .      | 357         | 0             | 0           |
| —Nonres. . . . .                        | 2,514       | 1,906         | 0           | —Nonres. . . . .               | 0           | 0             | 0           |
| Deposits (\$) (12 of 12 banks)          | 617,700     | 611,614       | 565,455     | Deposits (\$) (2 of 2 banks)   | 40,237      | 40,582        | 45,705      |
| LAMAR (1982 pop. 7,793)                 |             |               |             | STERLING (1982 pop. 11,470)    |             |               |             |
| Electric Power (kwh) . . . .            | 5,432       | 6,424         | 5,001       | Electric Power (kwh) . . . .   | 6,032       | 5,815         | 5,473       |
| Constr. (\$)—Res. . . . .               | 172         | 0             | 54          | Constr. (\$)—Res. . . . .      | 130         | 0             | 0           |
| —Nonres. . . . .                        | 0           | 29            | 25          | —Nonres. . . . .               | 0           | 18            | 0           |
| Deposits (\$) (2 of 2 banks)            | 85,666      | 85,002        | 82,805      | Deposits (\$) (3 of 3 banks)   | 150,685     | 150,463       | 143,345     |
| LITTLETON (1982 pop. 30,001)            |             |               |             | THORNTON (1982 pop. 44,130)    |             |               |             |
| Electric Power (kwh) . . . .            | 17,746      | 17,973        | 15,123      | Electric Power (kwh) . . . .   | 17,676      | 17,400        | 15,904      |
| Constr. (\$)—Res. . . . .               | 2,827       | 10,123        | 1,700       | Constr. (\$)—Res. . . . .      | 3,989       | 3,094         | 2,655       |
| —Nonres. . . . .                        | 451         | 1,456         | 3,728       | —Nonres. . . . .               | 39          | 2,122         | 4,372       |
| Deposits (\$) (9 of 12 banks)           | 221,446     | 210,548       | 175,453     | Deposits (\$) (1 of 1 bank)    | 35,095      | 31,939        | 26,499      |
| LONGMONT (1982 pop. 46,313)             |             |               |             | TRINIDAD (1982 pop. 9,900)     |             |               |             |
| Electric Power (kwh) . . . .            | 24,566      | 26,786        | 22,102      | Electric Power (kwh) . . . .   | 2,831       | 3,041         | 2,790       |
| Constr. (\$)—Res. . . . .               | 3,902       | 2,641         | 2,185       | Constr. (\$)—Res. . . . .      | 0           | 0             | 0           |
| —Nonres. . . . .                        | 463         | 12r           | 697         | —Nonres. . . . .               | 0           | 0             | 0           |
| Deposits (\$) (5 of 6 banks)            | 233,153     | 231,614r      | 211,723     | Deposits (\$) (2 of 2 banks)   | 59,940      | 60,182        | 56,155      |
| LOUISVILLE (1982 pop. 6,067)            |             |               |             | WESTMINSTER (1982 pop. 54,995) |             |               |             |
| Electric Power (kwh) . . . .            | 10,923      | 11,420        | 10,116      | Electric Power (kwh) . . . .   | 23,221      | 23,938        | 21,112      |
| Constr. (\$)—Res. . . . .               | 1,041       | 2,359         | 2,187       | Constr. (\$)—Res. . . . .      | 9,438       | 8,892         | 8,296       |
| —Nonres. . . . .                        | 2,085       | 15            | 299         | —Nonres. . . . .               | 0           | 0             | 3,582       |
| Deposits (\$) (2 of 2 banks)            | 31,275      | 29,590        | 26,672      | Deposits (\$) (3 of 3 banks)   | 116,583     | 112,750       | 99,767      |
| LOVELAND (1982 pop. 30,962)             |             |               |             | WHEAT RIDGE (1982 pop. 31,743) |             |               |             |
| Electric Power (kwh) . . . .            | 20,554      | 22,008        | 20,158      | Electric Power (kwh) . . . .   | 22,865      | 23,591        | 22,143      |
| Constr. (\$)—Res. . . . .               | 1,761       | 1,928         | 1,966       | Constr. (\$)—Res. . . . .      | 3,497       | 361           | 0           |
| —Nonres. . . . .                        | 185         | 1,329         | 106         | —Nonres. . . . .               | 1,079       | 2,027         | 1,843       |
| Deposits (\$) (5 of 5 banks)            | 174,056     | 168,377       | 151,373     | Deposits (\$) (2 of 2 banks)   | 104,800     | 105,780       | 91,687      |
| MONTROSE (1982 pop. 8,895) <sup>b</sup> |             |               |             |                                |             |               |             |
| Constr. (\$)—Res. . . . .               | 161         | 322           | 353         |                                |             |               |             |
| —Nonres. . . . .                        | 40          | 185           | 90          |                                |             |               |             |
| Deposits (\$) (3 of 3 banks)            | 117,366     | 117,864       | 112,030     |                                |             |               |             |
| NORTHGLENN (1982 pop. 30,980)           |             |               |             |                                |             |               |             |
| Electric Power (kwh) . . . .            | 10,691      | 11,055        | 10,157      |                                |             |               |             |
| Constr. (\$)—Res. . . . .               | 0           | 60            | 0           |                                |             |               |             |
| —Nonres. . . . .                        | 0           | 0             | 3,502       |                                |             |               |             |
| Deposits (\$) (2 of 3 banks)            | 82,752      | 75,767        | 71,800      |                                |             |               |             |
| PUEBLO (1982 pop. 99,619)               |             |               |             |                                |             |               |             |
| Electric Power (kwh) . . . .            | 45,854      | 47,278        | 45,733      |                                |             |               |             |
| Constr. (\$)—Res. . . . .               | 315         | 107           | 436         |                                |             |               |             |
| —Nonres. . . . .                        | 405         | 30            | 299         |                                |             |               |             |
| Deposits (\$) (8 of 9 banks)            | 413,886     | 409,963       | 394,524     |                                |             |               |             |

<sup>a</sup>Regional figures.

<sup>b</sup>Electric Power consumption figures are not available.

NOTES: Population figures are preliminary 1982 estimates by the Demographic Section, Colorado Division of Local Government.  
Construction figures are valuation of new residential and nonresidential construction only.  
Deposit figures are total deposits in commercial banks as of last day of month.  
n.r.—not reported  
\*—preliminary data  
r—revised data

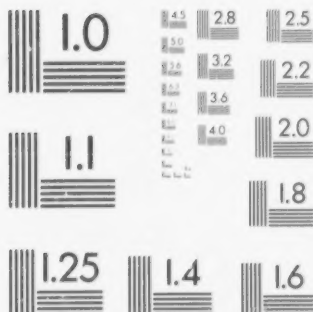
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